

Daily Report

China

FBIS-CHI-87-163

CONTENTS

24 August 1987

INTERNATIONAL AFFAIRS

United States & Canada

Qian Qichen Leaves on Visit to U.S.	1
Li Peng Meets U.S. Regulatory Head	1
Li Peng, Wan Li, Lord Play Tennis	1
RENMIN RIBAO on Reagan, Gulf [21 Aug]	1
PRC To Host Trade Symposium in NY	2

Soviet Union

River Trade With USSR Begins Anew [CHINA DAILY 24 Aug]	2
---	---

Northeast Asia

Wan Li Interviewed on 13th Congress [KYODO]	3
Wu Xueqian Meets Japanese Journalists	3
KYODO Report	3
Wang Zhen Meets Japanese Amity Group	4
Wang Zhen, Others Meet Diet Members	4
CPPCC Official Meets DPRK Envoys	4
Analysis Views Japan-USSR Relations	4
Roundup on Japan-USSR Relations [RENMIN RIBAO 23 Aug]	5

Southeast Asia & Pacific

Frontier Guards Repel SRV Offensive	6
Commentary Views SRV Cambodia Stance	6
Prince Sihanouk Confirms Visit Plans [AFP]	7
New Zealand Premier Meets PRC Envoy	8

Sub-Saharan Africa

Wu Xueqian Meets Cape Verde Envoy	8
--	---

West Europe

Zhao Congratulates Portugal's Cavaco	8
Zhang Aiping Meets French Official	8
Trade Minister Goes on Nordic Tour	8

East Europe

Poland's Wozniak Pays Official Visit	8
Zhao Briefs on Reform	8
Meets Hu Qili	9
Chen Muhua at Romanian Reception	9
Poland's Wozniak Pays Official Visit	9
Zhao Briefs on Reform	9
Meets Hu Qili	10
Chen Muhua at Romanian Reception	10

NATIONAL AFFAIRS

State Council Changes Officials	11
--------------------------------------	----

State Council on NPC Proposals	11
Preparations Underway for Reform	11
Foreign Ministry Revises Protocol	12
Minister on Combatting Corruption	13
Minister Urges Nationwide Supervision	13
Official on CPC Action Against Writers [Hong Kong HONGKONG STANDARD 24 Aug]	14
New Propaganda Leadership Group Formed [Hong Kong KUANG CHIAO CHING 16 Aug]	14
Commentator Views Propaganda, Reform [JINGJI RIBAO 6 Aug]	17
Yu Qiuli Honors PLA Members	19
Yu Qiuli At Basketball Tournament	19
Gu Mu Urges Better Tourism Management	19
Gu Mu, Others Mourn Comrade	19
Wan Li Lauds Guangzhou Contracts	19
Wan Li Attends Bridge Tournament	20
Yang Shangkun, Wang Zhen in Xingcheng	20
Yang Dezhi Awards Veteran Painters	20
Ulanhu Leaves Nei Monggol 20 Aug	20
Li Peng Inspects Ship Accident	21
Zhang Jingfu Inspects Xian Aircraft	21
Yang Dezhi Views Opera on Leaders	21
Students Spend Summer on Practical Work	21
Schools Offer Civil Defense Courses	22
Air Force Completes Test Flight	22
Conference Sets Conscription Guidelines	22
Commentator Views Individual Economy	23
Commentator Views Contract System [RENMIN RIBAO 19 Aug]	24
Commentator on New Things in Reform [NONGMIN RIBAO 10 Aug]	25

REGIONAL AFFAIRS

East Region

Wan Shaofen Greets Jiangxi Miners	26
Shandong Forum on CPPCC Committee	26
Death Sentence for Shanghai Pornographer	26
Shanghai Air Force Units Modernize	26
Shanghai Students Take Social Practice	27
Zhejiang Reserve Service Hq Set Up	27

Central-South Region

Vietnamese Refugees Return to Guangdong [CHINA DAILY 24 Aug]	27
Guangdong Meeting on Family Planning	27
Henan Meets on Policies for Intellectuals	28
Mao Zhiyong at Hunan College Meeting	28

Southwest Region

Sichuan Reports Progress on Problems	28
Sichuan's Yang Rudai at CYL Session	29
Xizang's Wu Jinghua Sees Off Banqen	29
Xizang Secretary Visits Air Force Unit	29

North Region

Hebei's Xing Chongzhi on Reform [HEBEI RIBAO 6 Aug]	30
Nei Monggol Secretary on Security	32
Tianjin 'Counterrevolutionary' Arrested [TIANJIN RIBAO 7 Aug]	32

TAIWAN

KMT Official Condones Mainland Visits [CHINA POST 20 Aug]	33
Islanders Demand Martial Law Lifting [AFP]	33

United States & Canada

Qian Qichen Leaves on Visit to U.S.
*OW220546 Beijing XINHUA in English 0540 GMT
22 Aug 87*

[Text] Beijing, August 22 (XINHUA) — Qian Qichen, head of a Chinese delegation and vice-minister of foreign affairs, left here for New York this morning to attend the international conference on the relationship between disarmament and development scheduled to open August 24.

Qian will also pay a working visit to Canada and the United States.

Li Peng Meets U.S. Regulatory Head
*OW211514 Beijing XINHUA in English 1453 GMT
21 Aug 87*

[Text] Beijing, August 21 (XINHUA) — Chinese Vice-Premier Li Peng, who is also in charge of nuclear energy affairs, met this afternoon with Lando W. Zech, Jr., chairman of the United States Nuclear Regulatory Commission.

During their meeting, the host and guest had a 90-minute conversation on strengthening nuclear safety and further developing bilateral cooperation in nuclear energy.

Zech, the highest ranking official from the U.S. Nuclear Regulatory Commission to visit China since the nuclear safety cooperation protocol between the two countries was signed in 1982 is here on the invitation of the State Bureau of Nuclear Safety.

As the world's biggest nuclear country, the United States has now 110 nuclear power stations and has vast experience in nuclear safety.

Zech told Li, "the safe operation of nuclear power stations must have three conditions: good, safe design, high-quality construction and safe operation."

"Safe operation training should start as early as possible," Zech said, and also expressed his personal views on strengthening the supervision of nuclear safety and his willingness to cooperate with China in this field.

Li Peng agreed with Zech's views on early training, by saying, China is mainly engaged in thermal and hydro-power at present, and nuclear power is only a supplement.

Although China started late in the use of nuclear energy the country has good conditions for its use and will learn from other countries' experiences in nuclear safety.

"Although we will not build many nuclear power stations, the ones we build must be safe," Li Peng said, adding China is very concerned about nuclear safety.

Recalling the agreement for cooperation on the peaceful use of nuclear energy which was signed in 1985, the Chinese vice-premier said, Sino-U.S. cooperation in

nuclear energy has entered into a new stage since the agreement went into effect.

"In fact, cooperation between China's State Bureau of Nuclear Safety and the U.S. Nuclear Regulatory Commission has already started, and we hope this cooperation will continue," Li said.

"Sino-U.S. cooperation in nuclear safety is going smoothly since the nuclear safety cooperation protocol between the two sides was signed," an official from China's State Bureau of Nuclear Safety said, "and the two sides have exchanged visits and discussed their experiences in nuclear management and safety regulations."

Jiang Shengjie, director of the China's State Bureau of Nuclear Safety and U.S. Ambassador to China Winston Lord were also present at the meeting.

Li Peng, Wan Li, Lord Play Tennis
*OW231114 Beijing XINHUA in English 1059 GMT
23 Aug 87*

[Text] Beijing, August 23 (XINHUA) — U.S. Ambassador Winston Lord and his wife Bette Bao Lord joined Chinese Vice Premiers Wan Li and Li Peng in a pro-celebrity invitational tennis tournament here today.

The ambassador, paired with former Chinese table tennis veteran Li Furong, played for the Golden Team which also included Zhang Baifa, vice mayor of Beijing, and Henry Fok, a well-known sports figure and businessman in Hong Kong.

Wan Li and Li Peng, played for the Red Team together with Bette Bao Lord and Chinese Deputy Sports Ministers He Zhengliang and Xu Yinsheng.

The two teams tied 2-2 after four doubles matches.

RENMIN RIBAO on Reagan, Gulf
*HK211210 Beijing RENMIN RIBAO in Chinese
21 Aug 87 p 6*

[Article by Sai Bei (1049 0554): "There Are Still 17 Months To Go"]

[Text] Soon after the U.S. Congress ended its "Irangate" hearings, President Reagan delivered a policy speech on his plan for the remaining 17 months of his term. On "Irangate", the Democratic Party indicated that it would let bygones be bygones if he admitted his mistakes. Therefore, Reagan stated his position, saying that "in implementing this deviated policy, I have too stubbornly adhered to my opinions," and passed the test. Apparently, "Irangate", which lasted 9 months, has basically come to an end.

But the "strange shadow" of "Irangate" will seemingly linger on for the rest of President Reagan's term.

The matters to be handled before the end of his term: appointing a judge to the Supreme Court and winning approval for the balanced budget amendment are internal affairs; in the diplomatic field, there are the questions of an agreement with the Soviet Union on inter-

mediate-range missiles, the talks on reducing strategic weapons, stabilizing the situation in the Gulf, and achieving peace in Central America. Of these, some obstacles still remain on the question of intermediate-range missiles, but it is widely believed that, since both parties intend on reaching an agreement, the problem will not be too great. Because the strategic nuclear weapons involve the question of Star Wars, talks on this can at most have a beginning. As for Central America, Reagan is chiefly afraid that the resolution of the summit of the five Central American states will encourage Congress to keep denying aid to the Nicaraguan contras. However, the situation in Central America seems unlikely to change drastically in the next 17 months. As far as President Reagan is concerned, the most serious problem likely to affect his achievements in the last stage of his term is perhaps the situation in the Gulf.

The situation in the Gulf is very tense now. What responsibility does the Reagan administration have? The objective effect of "Irangate" was the sale of U.S. arms to Iran to oppose Iraq. When the secret leaked, the United States turned around to oppose Iran under the name of protecting shipping in the Gulf and helped Iraq. The United States repeatedly claimed that it dispatched military forces to the Gulf to prevent the expansion of Soviet influence there. But now, the saber-rattling zeal with which it is dealing with Iran is creating favorable conditions for the expansion of Soviet influence in the Gulf. Is the United States creating stability or instability in the Gulf?

Now, some 30 warships from the United States, Soviet Union, Britain, and France have gathered inside and outside the Gulf. It is said that the total number of warships will probably reach 50 by the end of this month. Since mid-May, five oil tankers have been damaged and the sea area where mines have been discovered has been extended to the Gulf of Oman, outside the Persian Gulf. The use of military force can only intensify military clashes. This is a reality in the Gulf today. If a peaceful solution is not found, nobody knows how long the struggle will drag on. Iran is a regional power, and the United States is a global superpower. If Iran succeeds in leading the United States to a dilemma and exhaustion, it can claim victory. Even if the United States should inflict some sufferings on Iran, there is nothing to boast about. If it should be dragged by Iran in such a way that it can neither fight nor withdraw, the image of the United States will greatly suffer. Therefore, strategically speaking, it will benefit Iran most to procrastinate, but it will benefit the United States most to force a quick decision. However, since the United States has entered the Gulf, it is not up to the United States how the situation will develop. Even if it wants to have it out with Iran, it is not so easy because of various factors in the present international politics, let alone public opinion in the country.

It can be seen that the current situation in the Gulf has presented the United States with another difficult problem. "It is easy to invite God but difficult to send Him

away." It takes only a few days to dispatch some warships, but it is not so easy to recall them. Now that the Iran-Iraq war has been going on for 7 years, it is hard to say whether it will end in next 17 months. During this period, if the United States should sink further into the morass of the Gulf, unable to extricate itself, it will be difficult to say how people will assess the last-phase achievements of the Reagan administration.

PRC To Host Trade Symposium in NY
OW211025 Beijing XINHUA in English 0954 GMT
21 Aug 87

[Text] Beijing, August 21 (XINHUA) — In order to expand Sino-American trade, Beijing is to hold its first overseas trade symposium in New York, according to an official of the Beijing Foreign Economic Relations and Trade Committee.

The symposium, which will focus on export and import negotiations, is scheduled to be held from September 14 to 18, the official said.

The export commodities include textiles, clothing, light industry products, native produce and livestock products, handicrafts, ornaments, cereals and vegetable edible oils, chemical products, machinery and electronic products.

The talks will also focus on joint ventures, introduction of advanced technology and compensation trade.

The official said, visitors who buy or order goods during the symposium will be given preferential treatment.

The United States is an important market for Beijing's export commodities. Last year, its exports to that country topped 100 million U.S. dollars-worth. In the first half of this year, the total export volume is 450 million U.S. dollars-worth.

Beijing now maintains friendly trade relations with 10,000 businesses worldwide. It has set up 27 overseas enterprises, exporting more than 1,000 commodities to over 130 countries and regions.

Soviet Union

River Trade With USSR Begins Anew
HK240334 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 24 Aug 87 p 1

[Text] China has recently resumed inland river trade with the Soviet Union, which had been suspended for more than 20 years, and has imported some timber.

The first Chinese vessels sent by the Hejiang Transport Bureau on the Songhua River to carry the timber arrived in the lower Leninskoye port in the Soviet Union on July 25. Representatives from the Shipping Management Bureau of Heilongjiang Province, China Timber Import and Export Corporation and the Ministry of Light Industry aboard the ships held talks with their Soviet partners on details of the deal.

On July 28, the first batch of 811 cubic metres of timber arrived in Tongjiang port near Jiamusi City, Heilongjiang Province. The deal is the first part of a five-year plan agreed by both sides to ship 100,000 tons of soybean and timber each year between the two countries. This year, 57,000 cubic metres of timber are expected to be imported by the end of October.

This timber, distributed by China Native and Animal By-Product Import and Export Corporation, will soon be put into use in Jiamusi Paper Mill. China Foodstuff and Edible Oil Import and Export Corporation exported 25,600 tons of soybeans to the Soviet Union in May last year.

In another development, the two countries signed an agreement recently to revive an agreement after 20 years to allow Soviet ships [to] be serviced at the China Ship Repairing Centre in Shanghai. At present, three Soviet ships are there.

Recently, the two countries have also provided regular bus services in Huocheng, the biggest highway entry port in China on the China-Soviet border north of Yili in Xinjiang Uygur Autonomous Region, to carry passengers to customers on both sides, instead of receiving and sending passengers from the bridge at the border itself.

In the past, both countries services would carry passengers and cargo only to the border bridge. This caused great inconvenience to both sides' passengers, especially now the number entering and leaving has increased.

Now passenger buses from either country can drive directly to customs houses on either side.

Northeast Asia

Wan Li Interviewed on 13th Congress
OW246823 Tokyo KYODO in English 0810 GMT
24 Aug 87

[Text] Beijing, Aug. 24 KYODO — Chinese Vice Premier Wan Li strongly indicated Monday supreme leader Deng Xiaoping will resign from the five-member Politburo Standing Committee at the 13th convention of the Chinese Communist Party to open on October 25.

Wan also indicated acting party General Secretary Zhao Ziyang will be promoted to party chief, a post which has been vacant since Hu Yaobang was removed in February.

The vice premier dropped the hints in an interview with a group of political editors from Japan's mass media.

Wan said: "Chairman Deng is the party's supreme leader at present but is offering his resignation from the Politburo Standing Committee. We are dissuading him from resigning but he does not heed. Other leaders of his age may also resign."

He thus indicated other senior Politburo Standing Committee members — Li Xiannian and Chen Yun — will also resign.

"We have to rejuvenate ourselves. Persons whose physical strength are declining should leave the Politburo and the Central Committee and be replaced by relatively young people with political experience and creatively," he said.

Wan said the convention, which will be opened to foreign journalists for the first time, will chiefly center on political and economic reforms as well as China's open-door policy.

He said the political reforms involve separating the party from the government, transfer of authority to lower-level structures and the establishment of democracy and judicial order.

He said China should give priority to scientific and technological progress and for this purpose it will actively introduce advanced foreign technologies and capital.

Wan described relations between China and Japan as being generally good in spite of some diplomatic disputes, including a Chinese student dormitory in Kyoto which a Japanese court in February ruled belongs to Taiwan.

The vice premier said China has to be concerned about increases in Japan's defense spending which slightly tops the longstanding 1 percent ceiling in the fiscal 1987 state budget.

"Neighboring countries have to become sensitive to the increase even though it is only slight. My father and brother were killed by Japanese aggressors," he added.

Wu Xueqian Meets Japanese Journalists
OW221140 Beijing XINHUA in English 0929 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — Chinese State Councillor and Foreign Minister Wu Xueqian met here today a Japanese delegation of chiefs of political news sections of the leading Japanese press organizations.

The delegation is headed by Minoru Natsuzaki, chief of the political news section of KYODO News Agency.

During the meeting Wu Xueqian answered questions concerning Sino-Japanese relations raised by members of the delegation.

KYODO Report
OW221209 Tokyo KYODO in English 1142 GMT
22 Aug 87

[Text] Beijing, Aug. 22 KYODO — The Chinese Communist Party will hold its 13th Congress after mid-October to discuss further development of its democratization program, Foreign Minister Wu Xueqian said Saturday.

Wu made the remark in a meeting with a delegation of political department heads representing the Japanese mass media led by Minoru Matsuzaki of KYODO News Service.

He said the next congress will be convened to review achievements of the liberalization policy pursued by the party since the 11th Central Committee Meeting in 1978 and discuss measures to further develop the program.

He said a possible shakeup of the party leadership is under review but added that the party leadership will be decided in accordance with party rules while government personnel will be elected by the National People's Congress.

He made the remark in response to a question as to whether Premier Zhao Ziyang, who is concurrently acting general secretary of the party, will be relieved of either post at the next congress.

He indirectly denied recent news reports in Hong Kong that the post of general secretary and the Political Bureau would be abolished. "

It is all right to read Hong Kong reports but you better not believe them," he said.

He emphasized that the party would stick to socialism and said development and improvement of the socialist economy and productivity would be discussed at the next congress along with political reforms.

Wu said China has no intention of interfering with Japan's political system in connection with a Japanese court ruling on a dispute over a dormitory claimed by Taiwan.

He added, however, the Chinese people's sentiment was hurt by the issue and other problems, including Japanese history textbooks for high schools and visits to the Yasukuni Shrine by cabinet ministers.

Taiwan is part of Chinese territory and Beijing has no other way than negotiating with the Japanese Government over the dormitory issue, he said.

Wang Zhen Meets Japanese Amity Group
OW221008 Beijing XINHUA in English 0734 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — Wang Zhen, honorary president of the China-Japan Friendship Association, met here this morning a Japanese group led by Kaheita Okazaki, permanent advisor to the Japan-China Economic Association.

Wang Zhaoguo, China's chief representative on the 21st Century Committee for China-Japan friendship, also met Okazaki here this afternoon.

Wang Zhen, Others Meet Diet Members
OW221020 Beijing XINHUA in English 0740 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — Two Chinese leaders met on separate occasions a delegation of Japanese Diet members from Japan's Liberal Democratic Party led by Masamitsu Oishi, member of the Japanese House of Representatives, here today.

The two leaders were Wang Zhen, vice-chairman of the Central Advisory Commission of the Chinese Communist Party and honorary president of the China-Japan Friendship Association, and Huang Hua, vice-chairman of the Chinese National People's Congress Standing Committee.

The delegation was honored at a banquet given by the China-Japan friendship group under the National People's Congress here Friday evening.

CPPCC Official Meets DPRK Envoys
OW231144 Beijing XINHUA in English 1111 GMT
23 Aug 87

[Text] Beijing, August 23 (XINHUA) — Vice-Chairman Yang Chengwu of the National Committee of the Chinese People's Political Consultative Conference met here today two visiting groups from the Democratic People's Republic of Korea, which are now in China respectively as guests of Jilin and Shangdong Provinces.

These two groups of Korean visitors are led by Kim Chong-chon, chairman of administrative and economic guidance of Chagang Province, and Chae Kiu-pin, chairman of administrative and economic guidance of south Hwanghae Province.

Analysis Views Japan-USSR Relations
OW211832 Beijing XINHUA in English 1756 GMT
21 Aug 87

["News Analysis: Japanese-Soviet Relations Cooling Down (by Zhu Ronggen and Yao Li)" — XINHUA headline]

[Text] Tokyo, August 21 (XINHUA) — The Soviet Foreign Ministry Thursday ordered the expulsion of Nobuhiro Takesima, Japanese naval attaché, and Takao Otani, deputy head of the Mitsubishi corporation Moscow office, for espionage.

It was the first expulsion of a Japanese diplomat from Moscow since the Second World War.

The Japanese Foreign Ministry was ready, responding immediately by ordering Yuriy G. Pokrovskiy, vice trade representative of the Soviet Union in Tokyo, to leave Japan, saying he purchased plans for a flight management system stolen from Tokyo Aircraft Instruments Co.

The Japanese press said the actions on both sides "will aggravate the already deteriorated Japanese-Soviet ties. Prime Minister Yasuhiro Nakasone also said today in the Diet (parliament) that the Soviet action is regrettable and "poured cold water" on relations between the two nations.

Both countries have been aggressive in diplomatic policy toward each other this year, worsening bilateral relations following a brief and limited thaw in 1986. Diplomats and the press here point out reasons and the background of the situation.

Firstly, the Soviet expulsion of Japanese officials is an "obvious retaliation" for an earlier arrest order for a Soviet diplomat in Tokyo.

The National Police Agency (NPA) on May 19 arrested four Japanese who were charged with providing Soviet trade officials in Tokyo with U.S. Navy technological information stolen from the Tokota military base. The NPA issued an arrest warrant for the Soviet official, who had already fled Japan.

Next, Moscow was intensely irritated by the "Toshiba Corporation case."

Toshiba had sold four sophisticated milling machines to the Soviet Union. The machines are for making quiet submarine propellers, which make subs hard to detect.

The United States accused Toshiba of providing the Soviets with sensitive technology that would seriously threaten Western security. The Japanese cabinet recently approved an amendment to its foreign trade control law that will tighten government control of sales of strategic technology to socialist countries. The amendment has been submitted to the Diet.

Japan had also postponed a meeting of the Japanese-Soviet economic committee, which had been due to sit down in June or July, and shelved another joint economic committee set for this year.

Now Moscow has accused Japan of stirring up an "anti-Soviet movement." A Soviet press spokesman told KYODO News Service on August 13 that Japan was neglecting its ties with the Soviet Union although Moscow remained friendly. He warned that Japan should not only strive for more economic achievements, but also consider its "long-term security interests."

After a long chill, Tokyo and Moscow began in 1985 to approach each other and their relations improved slightly.

The regular consultations between foreign ministers of the two countries, which had been suspended for eight years, resumed at the beginning of last year. They also reached a series of agreements on trade, culture, science and technology and fisheries. Moscow even agreed to let Japanese resume visits to ancestral graves on the four Kuril islands off northern Japan — Habomai, Shikotan, Kunsashiri and Etorofu — which have been held by the Soviets since the end of World War II.

Soviet leader Mikhail Gorbachev said in a letter in July last year to Nakasone that he wanted to visit Japan. Making a prompt positive response, the Japanese side started taking steps to see the visit materialize. It would be the first for the top Soviet leader to visit Japan.

Most remarkable is that trade between the two countries totaled 5.1 billion U.S. dollars in 1986, an increase of 22 percent over 1985.

Soviet Deputy Foreign Minister Mikhail Stepanovich Kapitsa said during a visit to Tokyo in October last year that the Soviet Union had never wanted to threaten

Japan and their bilateral relations should emerge from "the past winter" and greet the "spring and summer."

However, the improvement in Japanese-Soviet ties has been limited because both have held onto their old stands on the key issue of the four northern islands. Both claim sovereignty over the Kurils.

Moscow considered Japan's decision last year to take part in the U.S. "Strategic Defense Initiative" — the "Star Wars" program to build a space-based defense system — as a hostile posture against the Soviet Union. Still, Japan held an official signing ceremony on July 22 last year to endorse its participation in the Star Wars program.

Though Tokyo responded quickly to the Soviet expulsion of the Japanese diplomat, the Japanese Government has left some room for possible improvement of the relations between the two countries. Nakasone said today in the Diet that he will exert efforts in the attempt to prevent all-round deterioration of relations. Foreign Minister Tadashi Kuranari also said both sides should remain "restrained and calm" to pave the way for a meeting between the two foreign ministers, due to be held at the end of September in New York.

Roundup on Japan-USSR Relations
HK240554 Beijing RENMIN RIBAO in Chinese
23 Aug 87 p 6

["Roundup" by correspondent Sun Dongmin (1327 2639 3046): "Tension Rises Again in Japanese-Soviet Relations"]

[Text] Tokyo, 21 August — At a press conference held on the afternoon of 20 August in Moscow, the Soviet Foreign Affairs Ministry announced the expulsion of Nobuhiro Takesima, Japanese naval attache, and Takao Otani, deputy head of the Mitsubishi corporation Moscow office, for "engaging in actions incompatible with their status."

Informed of the expulsion on 19 August, the Japanese side responded immediately. On the very afternoon of the announcement by the Soviets, the director-general of the Foreign Affairs Ministry's European and Oceanic Affairs Bureau contacted the Soviet charge d'affaires in Tokyo, ordering Yuriy Pokrovskiy, Soviet vice trade representative in Tokyo (who has diplomatic immunity), to leave Japan immediately because of involvement in purchasing plans for a flight management system stolen from the Tokyo Aircraft Instruments Company.

This is the first time since the establishment of diplomatic relations between Japan and the Soviet Union that both countries have expelled diplomatic personages of the other side. The move has further intensified Japanese-Soviet relations, chilly since the beginning of this year.

Japanese-Soviet relations which had developed at a slow pace, took a favorable turn after Gorbachev assumed power in 1985. Gorbachev proposed seeking a common

language and maintaining Soviet-Japanese dialogues. Nakasone also expressed the desire to stabilize relations with the Soviet Union on the basis of mutual understanding. Following the visit of the Soviet foreign affairs minister to Japan at the beginning of 1986 after 10 years, both Japan and the Soviet Union insisted on an exchange of visits by heads of state and maintaining a dialogue. In May 1986, Japanese Foreign Minister Shintaro Abe paid a visit to the Soviet Union. In August the same year, Gorbachev was invited to visit Japan. Consequently, relations between the two countries tended to relax and their trade volume totaled \$5.1 billion. Since the beginning of this year, however, Japan exposed a series of Soviet spying cases including U.S. Navy technological information stolen from the Tokota military base; the "Toshiba case" in which Toshiba sold four sophisticated milling machines to the Soviet Union in violation of the Coordinating Committee for Export Control prohibition; and the illegal purchasing of high technology aircraft instrumentation plans. The Soviet Union believed that the purpose of these moves was to stir up an anti-Soviet movement and a deterioration in Soviet-Japanese relations. Moscow was particularly irritated by Japan's participation in the U.S. "Star Wars" program research, which was officially signed on 22 July this year.

According to analysis, the expulsion of the Japanese diplomat and trade representative by the Soviet Union is in retaliation for the above moves. The Soviet Union also warned Japan not to be "intoxicated" by its current economic achievements, but that it should take its "long-term security interests" into account. The motive behind the countermeasures adopted by the Japanese Government, was to show the United States and Western allies its uncompromising stand against the Soviet Union, and to extricate itself from the predicament of being blamed by the United States for exporting prohibited goods to the Soviet Union. In the diplomatic war between Japan and the Soviet Union, it seems that both sides have taken the United States factor into account.

Regarding the expulsion measures adopted simultaneously by Japan and the Soviet Union, Prime Minister Nakasone and Foreign Minister Tadashi Kuranari told the Diet today that they regretted the Soviet decision, and said that the Soviet action had poured cold water on bilateral relations. Meanwhile, they denied that the Japanese decision was in retaliation against the Soviet Union. According to the Japanese Government estimate, the exchange of expulsions would not damage Japanese-Soviet relations greatly. However, newspapers here believe that the measures adopted by the Soviet Union constitute a warning against Japan. It is inevitable that Japanese-Soviet relations will further deteriorate and political and economic exchanges will cool down. Politically, in light of the current atmosphere, it will be impossible for Gorbachev to visit Japan within the year. It is also a delicate issue whether the regular consultations between the foreign ministers of the two countries can be held in Tokyo this year. Financial circles hold that bilateral economic relations have become "more complicated" owing to the overcast Japanese-Soviet economic exchanges.

It should be noted that in the diplomatic dispute, both Japan and the Soviet Union behaved in a restrained manner and did not adopt tough, formal "expulsion" means. This shows that both sides are not willing to see all-round deterioration of bilateral relations and have left room to improve their relations in the future.

Southeast Asia & Pacific

Frontier Guards Repel SRV Offensive
OW231011 Beijing XINHUA Domestic Service in Chinese 0546 GMT 23 Aug 8

[By reporter Li Shiyuan]

[Text] Yunnan Frontline, 23 Aug (XINHUA) — The 3d Company of a unit defending the Yunnan frontier fought bravely in rain, crushing the attack staged in waves by more than 80 Vietnamese troops and safeguarding the border of the motherland with their blood and lives.

Heavy rains poured down on the Laoshan frontline, Yunnan, on the evening of 17 August. Fighters firmly held their positions in spite of rain and wind. Two flares suddenly lit up in front of the 3d Company's position, and, at the same time, more than 80 Vietnamese troops began to attack the height held by our troops. Company Commander Dong Wei and Political Instructor Fu Hongming swiftly organized the men to fight back, and fierce, close combat unfolded in the dark of night amidst rain. The fighters fought bravely despite the heavy downpour. A group of the enemy moved along the ridge to make a sudden and violent attack on our sentry post. Squad leader Han Yingqiu faced the danger fearlessly and threw out over 30 grenades one after another, blowing the enemy to pieces and creating confusion. Despite his many wounds, fighter Li Guilin, who recently enlisted from Hunan's Liuyang County, remained on the battlefield. In front of his position were several enemy bodies.

Seeing a group of Vietnamese troops stealing up from a pit and about to reach the communications trench, 4th squad leader Zhang Yong shouted at the top of his lungs: "Follow me, Communist Party members." He led fighters Jiang Zhibei and Zhao Chunhui scrambling along the muddy communications trench for a vantage point, disregarding personal safety, and inflicted heavy blows on the enemy with grenades and weapons fire.

The fighting lasted for more than 3 hours. Countered by the brave fighting of our border defense fighters, the invading Vietnamese troops suffered a crushing defeat. The frontline commander proudly said to this reporter: So long as our border defense fighters are here, there is no chance for the enemy to cross the border.

Commentary Views SRV Cambodia Stance
OW240836 Beijing XINHUA in English 0825 GMT 24 Aug 87

["Commentary: Vietnam Lacks Sincerity in Settling the Kampuchean Issue (by Cai Ximei)" — XINHUA headline]

[Text] Beijing, August 24 (XINHUA) — The Vietnamese Foreign Ministry August 20 refuted a new ASEAN

proposal for a political settlement to the Kampuchean issue.

The Vietnamese Foreign Ministry spokesman Trinh Xuan Lang dismissed the proposal made at the one-day meeting by the foreign ministers from ASEAN (the Association of Southeast Asian Nations) in Bangkok August 16, which called for a dialogue between Vietnam and Kampuchea.

Trinh said the ASEAN proposal calling for an informal dialogue between Vietnam and Kampuchea is an attempt to turn what should be a dialogue between the Coalition Government of Democratic Kampuchea and the opposition, into one between the Vietnamese and Kampucheans.

By opposing the ASEAN proposal, Vietnam has showed to the world that it lacks sincerity for a political settlement of the Kampuchean issue.

Some 200,000 Vietnamese troops invaded Kampuchea in 1978, hence Vietnam is necessarily a main interlocuter in the political settlement of the issue.

However, Trinh divided the Kampuchean issue into two aspects, saying "this is a meeting between the two sides of Kampuchea, among Kampucheans exclusively, to discuss internal affairs" and that "Vietnam and other countries concerned would only participate in the meeting at a later stage to discuss the international aspect."

Vietnam is shrugging the responsibility of invasion and denying its implication in a settlement.

Trinh's announcement made no mention of the withdrawal of Vietnamese troops from Kampuchea, ignoring resolutions by the United Nations in the past eight years which call for foreign troop withdrawal from Kampuchea, the self-determination of the Kampuchean people and neutralization of the country.

Trinh said ASEAN's attempt to use the eight-point proposal of the Coalition Government of Democratic Kampuchea as basis for discussion at the 'cocktail party' is a "step backward."

Trinh's announcement shows that Vietnam opposes any proposals concerned with troop withdrawal, wants to maintain the status quo in Kampuchea, and to organize a government dominated by the Heng Samrin regime.

Prince Sihanouk Confirms Visit Plans
HK220544 Hong Kong AFP in English 0523 GMT
22 Aug 87

[Text] Beijing, Aug 22 (AFP) -- Prince Norodom Sihanouk has confirmed that he will preside over a meeting here later this month of the Coalition Government of Democratic Kampuchea (CGDK) from which he stepped down recently for a year.

The prince, in a written statement from his residence in Pyongyang released to the press here Saturday, said he would attend the August 29-September 2 meeting

because he could not refuse an official invitation from China.

"China and North Korea are my benefactors since March 19, 1970 and I cannot refuse their official invitation," the prince said in his statement.

"As a result, I accept to 'rejoin the ranks' for several days by heading the CGDK delegation that is to pay an official visit to China," he added.

"I find myself obliged to pay 'yes' to (Chinese) President Li Xiannian because to say 'no' to him would mean a divorce between Sihanouk and China," the prince said in a separate statement.

But Prince Sihanouk insisted he would not be visiting China to preside over a "'council of minister,' to discuss the CGDK's problems with other coalition partners or to please Khieu Samphan," the leader of the Khmer Rouge.

He added that he had no plans to attend the United Nations General Assembly in New York later this year "even if China asks me to go."

The prince has indicated he would be prepared to visit New York to hold talks with U.N. Secretary-General Javier Perez de Cuellar on the Cambodian problem but not to participate in U.N. deliberations.

In May, the prince stepped down for a year as president of the CGDK to protest attacks on his forces and alleged human rights violations by the Khmer Rouge, the most powerful faction in the tripartite CGDK.

The CGDK, recognized by the United Nations since 1982 as the legitimate government of Cambodia, is made up of guerrillas loyal to Prince Sihanouk, the Khmer Rouge and followers of CGDK Premier Son Sann.

Each August, leaders of the Cambodian resistance fighting an estimated 140,000 Vietnamese troops occupying Cambodia since 1979 have made an official visit to China, the CGDK's biggest financial and military backer.

The CGDK's annual meeting here comes just after China has declared its support for a proposal by the Association of Southeast Asian Nations (ASEAN) for informal talks between the CGDK and the Hanoi-backed Phnom Penh government -- to be followed "immediately" by Vietnamese participation.

Hanoi and Phnom Penh have rejected the proposal.

ASEAN foreign ministers meeting in Bangkok modified an earlier Indonesian plan for informal "cocktail party" talks between the warring factions which allowed for Vietnam to join the talks at an unspecified later date.

Singapore and Thailand reportedly pressed their ASEAN partners -- Brunei, Indonesia, Malaysia and the Philippines -- to tighten up the plan to ensure immediate Vietnamese participation in any talks on Cambodia, observers said.

Thai Foreign Minister Siddhi Sawetasila has been in Pyongyang since Thursday where he is to meet Prince Sihanouk.

Welcoming Mr. Siddhi on Wednesday, his Chinese counterpart Wu Xueqian reiterated his country's position that all Vietnamese troops should be withdrawn from Cambodia as a precondition to any negotiations.

New Zealand Premier Meets PRC Envoy
*OW210847 Beijing XINHUA in English 0733 GMT
21 Aug 87*

[Text] Wellington, August 21 (XINHUA) — New Zealand Prime Minister David Lange today met and had a cordial conversation with the outgoing Chinese ambassador to New Zealand, Zhang Longhai.

Lange expressed his satisfaction with the growth of the relations between New Zealand and China and attached great importance to the exchange of visits between the leaders of the two countries which, he said, has considerably reinforced the bilateral relationship.

Governor-General Paul Reeves and Deputy Prime Minister Geoffrey Palmer also met and had friendly conversations with Zhang earlier this week.

The outgoing Chinese ambassador will leave here for home on August 27 after completing his term of duty in this country.

Sub-Saharan Africa

Wu Xueqian Meets Cape Verde Envoy
*OW221348 Beijing XINHUA in English 1135 GMT
22 Aug 87*

[Text] Beijing, August 22 (XINHUA) — Wu Xueqian, member of the Political Bureau of the Chinese Communist Party Central Committee and foreign minister, met and gave a dinner for Silvino Manuel da Luz, member of the Political Committee of the African Party for the Independence of Cape Verde and foreign minister, and his party here tonight.

The Cape Verdian visitors are here on a vacation tour.

West Europe

Zhao Congratulates Portugal's Cavaco
*OW211227 Beijing XINHUA Domestic Service in
Chinese 1023 GMT 18 Aug 8*

[Text] Beijing, 17 Aug (XINHUA) — Zhao Ziyang, premier of the State Council of the PRC, cabled a message to Anibal Cavaco Silva on 17 August, congratulating him on his assumption once again of the premiership of the Republic of Portugal.

In the message, Premier Zhao said: "I am delighted to learn that you have once again assumed the post of prime minister of Portugal. On behalf of the Chinese government, I sincerely offer you my warmest congratulations."

The message said: "Recently we signed a Sino-Portuguese joint statement on the Macao issue in Beijing, which ushered in a new historical era in our bilateral relations. I am convinced that with the common efforts of the two sides, our friendly and cooperative relations will further develop."

Zhang Aiping Meets French Official
*OW221030 Beijing XINHUA in English 0935 GMT
22 Aug 87*

[Text] Beijing, August 22 (XINHUA) — Chinese State Councillor and Minister of National Defense Zhang Aiping met with Jacques Boyon, secretary of state in the Ministry of Defense of France, and his party here today.

Trade Minister Goes on Nordic Tour
*OW221701 Beijing XINHUA in English 1424 GMT
22 Aug 87*

[Text] Beijing, August 22 (XINHUA) — A Chinese Government economic and trade delegation led by Zheng Tuopin, minister of foreign economic relations and trade, left here today for Finland, Sweden and Iceland on an official visit at the invitation of the three governments.

After his Nordic tour, the Chinese minister will fly to Algeria to attend the third meeting of the mixed committee for economic, trade and technical cooperation between China and Algeria.

East Europe

Poland's Wozniak Pays Official Visit

Zhao Briefs on Reform
*OW211345 Beijing XINHUA Domestic Service in
Chinese 0805 GMT 21 Aug 87*

[Text] Beijing, 21 Aug (XINHUA) — Zhao Ziyang, acting general secretary of the CPC Central Committee and premier of the State Council, met with Wozniak, member of the Political Bureau and the Secretariat of the Polish United Workers Party Central Committee, his wife, and his party at Ziguangge in Zhongnanhai this morning. He briefed the Polish guests on China's enterprise reform.

Zhao Ziyang said: During the past 6 months, state enterprises have carried out the contract system based on being given more decisionmaking power. In other words, ownership of the property enterprises belongs to the state and managerial rights to the managers themselves. Managers can be chosen through bidding, thus introducing the factor of competition to the practice of contracting.

Zhao Ziyang said: The bidding method is open to the whole society and will lead to a revolution in the system of personnel management of enterprises. The implementation of the contract system by state enterprises is of great significance to the present reform in China because it will encourage more entrepreneurs and talented people to demonstrate their skills.

Zhao Ziyang told the visitors that the four special economic zones established in the past 8 years have been successful, adding that China has also opened 14 coastal cities to the outside world. These are special policies China has adopted in accordance with its actual conditions.

He said: China and Poland have many identical ideas on economic reform, and Poland has started earlier than China in political structural reform. China has great interest in Poland's political and economic structural reform and attaches great importance to Poland's ideas and policies on reform. He hoped that China and Poland will continue contacts and exchanges in this field and draw on each other's experience.

Wozniak said: Socialist countries take their own socialist road in accordance with their conditions. Exchange in the field of reform is beneficial for both sides. He also hoped for intensified exchange in the political and economic fields.

In June this year, when Zhao Ziyang visited Poland, Wozniak accompanied him throughout his entire tour. At the meeting today, Wozniak said that the Polish public paid keen attention and attached importance to premier Zhao's visit, and that Poland has always been interested in China's progress in reform.

Zhao Ziyang said that he was deeply impressed with his visit to Poland. He thanked the Polish party and government and comrade Jaruzelski for the warm hospitality accorded him during his visit.

Wozniak and his party arrived from Pyongyang by train this morning on a visit to China at the invitation of the CPC. They were met at the station by Zhu Liang, director of the International Liaison Department of the CPC Central Committee.

Meets Hu Qili

OW211150 Beijing XINHUA in English 1133 GMT
21 Aug 87

[Text] Beijing, August 21 (XINHUA) — Hu Qili, member of the Political Bureau and Secretariat of the Chinese Communist Party Central Committee, met Marian Wozniak, member of the Political Bureau and Secretariat of the Polish United Workers' Party Central Committee, and his wife and their party here this evening.

They had a friendly talk on some concrete issues of common interest related to their countries' political and economic structure reforms.

Afterwards Hu gave a banquet in honor of Wozniak and his party.

Chen Muhua at Romanian Reception

OW211143 Beijing XINHUA in English 1135 GMT
21 Aug 87

[Text] Beijing, August 21 (XINHUA) — The 43rd anniversary of the victory of Romania's social and national liberation, anti-fascist and anti-imperialist revolution was marked at a reception here today.

Chinese State Councillor Chen Muhua and Romanian Ambassador to China Angelo Miculescu were among those present at the reception hosted by the Chinese People's Association for Friendship with Foreign Countries and the China-Romania Friendship Association.

East Europe

Poland's Wozniak Pays Official Visit

Zhao Briefs on Reform

OW211345 Beijing XINHUA Domestic Service in
Chinese 0805 GMT 21 Aug 87

[Text] Beijing, 21 Aug (XINHUA) — Zhao Ziyang, acting general secretary of the CPC Central Committee and premier of the State Council, met with Wozniak, member of the Political Bureau and the Secretariat of the Polish United Workers' Party Central Committee, his wife, and his party at Ziguanqie in Zhongnanhai this morning. He briefed the Polish guests on China's enterprise reform.

Zhao Ziyang said: During the past 6 months, state enterprises have carried out the contract system based on being given more decisionmaking power. In other words, ownership of the property enterprises belongs to the state and managerial rights to the managers themselves. Managers can be chosen through bidding, thus introducing the factor of competition to the practice of contracting.

Zhao Ziyang said: The bidding method is open to the whole society and will lead to a revolution in the system of personnel management of enterprises. The implementation of the contract system by state enterprises is of great significance to the present reform in China because it will encourage more entrepreneurs and talented people to demonstrate their skills.

Zhao Ziyang told the visitors that the four special economic zones established in the past 8 years have been successful, adding that China has also opened 14 coastal cities to the outside world. These are special policies China has adopted in accordance with its actual conditions.

He said: China and Poland have many identical ideas on economic reform, and Poland has started earlier than China in political structural reform. China has great interest in Poland's political and economic structural reform and attaches great importance to Poland's ideas and policies on reform. He hoped that China and Poland will continue contacts and exchanges in this field and draw on each other's experience.

Wozniak said: Socialist countries take their own socialist road in accordance with their conditions. Exchange in the field of reform is beneficial for both sides. He also hoped for intensified exchange in the political and economic fields.

In June this year, when Zhao Ziyang visited Poland, Wozniak accompanied him throughout his entire tour. At the meeting today, Wozniak said that the Polish

24 Aug 87

public paid keen attention and attached importance to premier Zhao's visit, and that Poland has always been interested in China's progress in reform.

Zhao Ziyang said that he was deeply impressed with his visit to Poland. He thanked the Polish party and government and comrade Jaruzelski for the warm hospitality accorded him during his visit.

Wozniak and his party arrived from Pyongyang by train this morning on a visit to China at the invitation of the CPC. They were met at the station by Zhu Liang, director of the International Liaison Department of the CPC Central Committee.

Meets Hu Qili

*OW211150 Beijing XINHUA in English 1133 GMT
21 Aug 87*

[Text] Beijing, August 21 (XINHUA) — Hu Qili, member of the Political Bureau and Secretariat of the Chinese Communist Party Central Committee, met Marian Wozniak, member of the Political Bureau and Secretariat of

the Polish United Workers' Party Central Committee, and his wife and their party here this evening.

They had a friendly talk on some concrete issues of common interest related to their countries' political and economic structure reforms.

Afterwards Hu gave a banquet in honor of Wozniak and his party.

Chen Muhua at Romanian Reception

*OW211143 Beijing XINHUA in English 1135 GMT
21 Aug 87*

[Text] Beijing, August 21 (XINHUA) — The 43rd anniversary of the victory of Romania's social and national liberation, anti-fascist and anti-imperialist revolution was marked at a reception here today.

Chinese State Councillor Chen Muhua and Romanian Ambassador to China Angelo Miculescu were among those present at the reception hosted by the Chinese People's Association for Friendship with Foreign Countries and the China-Romania Friendship Association.

State Council Changes Officials

OW221226 Beijing XINHUA Domestic Service in Chinese 0741 GMT 22 Aug 8

[Text] Beijing, 22 Aug (XINHUA) — The State Council appointed and dismissed some state officials on 27 July 1987.

Chang Jie was appointed deputy secretary-general of the State Council; Deng Yi [6772 0500] (female) as deputy auditor-general of the Auditing Administration; Huang Qidao [7806 7871 7118] as vice minister of the Nuclear Industry Ministry; Zhang Zhijian [1728 1807 1017] as vice minister of the Labor and Personnel Ministry; Lu Ping as deputy director of the State Council Hong Kong and Macao Affairs Office; and Li Yizhong [2621 3015 0022] as deputy general manager of China National Petro-Chemical Corporation.

Zhou Ping was dismissed from the post of vice minister of the Nuclear Industry Ministry; Xie Wenqing and Ding Qiao from the post of vice ministers of the Radio, Cinema, and Television Ministry; and Shang Zhigong from the post of vice minister of the Railways Ministry.

State Council on NPC Proposals

OW220218 Beijing XINHUA Domestic Service in Chinese 1040 GMT 21 Aug 87

[Excerpts] Beijing, 21 Aug (XINHUA) — The General Office of the State Council recently issued a circular urging the people's governments of all provinces, autonomous regions, and municipalities, and all ministries, commissions, and organs directly under the State Council to step up their efforts to handle proposals by NPC Delegates and motions by members of the CPPCC National Committee, and asking them to complete their work by the end of September. [passage omitted]

The circular said: All units responsible for handling these proposals and motions should regard the work as an important part of their obligation to accept people's supervision, improve and accomplish their work properly. Leading comrades responsible for the work should truthfully accept responsibility and ensure that all work is duly carried out. They should review their work in the coming days and take effective measures to improve it wherever necessary.

The circular said: Those units that have not finished handling proposals and motions should include the work in their third-quarter work schedule and make sure to finish it by 30 September. As for some proposals and motions that require extra effort and time to handle, these units should give brief answers to the NPC Delegates and CPPCC members concerned within a specified period of time, explaining their situation. However, former answers must be submitted by the end of December.

The circular pointed out: In handling these proposals and motions, units concerned should ensure that all questions are appropriately answered and should not

gloss things over. For those problems that cannot be immediately solved, they should explain to the NPC delegates or CPPCC members concerned the actual difficulties they encountered. If some important proposals and motions are not readily understandable, they should contact the NPC delegates or CPPCC members concerned, ask for their opinions, and discuss ways to handle these proposals and motions.

In conclusion, the circular urged those units that had finished handling proposals and motions to review and sum up their work, and see if there are any mistakes or things remaining to be done to improve their work in the future.

Preparations Underway for Reform

OW220606 Beijing XINHUA in English 0556 GMT 22 Aug 87

[Text] Beijing, August 22 (XINHUA) — China is speeding up the preparations of policies and plans which will guide the upcoming nationwide organizational reform, an important component of political restructuring, according to sources close to the State Council.

The details of the reform will be described in the context of China's political reform which will be worked out at the 13th National Congress of the Chinese Communist Party this autumn.

In May 1986, the State Council selected 16 medium-sized cities all over the country as testing grounds for urban organizational reform. The purpose was to gain experience and try to find practical methods that could be used nationwide.

Policymakers are now studying proposals contributed by 13 of these cities, a signed article in the overseas edition of the weekly, "Outlook," to be distributed next week, reported.

On the model of an over-centralized economy and centralized party leadership, which was the standard for many years, China has built a complete set of administrative organizations suited to an over-concentration of political and economic power. This problem has become increasingly outstanding because of the rapid development of China's economic reform and construction of socialist democracy.

China has experienced a lot of attempts at government streamlining since 1949, but each failed to reduce the numbers of personnel and offices; inefficiency and irresponsibility still remain as problems.

The latest attempt was made in 1982, when decentralization of power and adjustment of administrative functions were overlooked. As a result, many closed offices were reopened after some time. The policymakers have taken this as a good lesson as they draw up the national program, according to the sources.

The new reform will be different; this time the focus will be mainly on changing and adjusting administrative functions, and decentralizing power.

China will not only partially adjust backward links among offices, but will also carry out an overall and systematic reform of problems harmful to the country's socialist commodity economy and democratic politics.

In order to build a more scientific and institutionalized managerial system, the reform will also include changing administrative measures, adapting a scientific work process, establishing regular recruitment patterns, and developing a system of rewards and punishments concerning the promotion and retirement of administrators.

The nationwide organizational reform is not simply a streamlining, the sources said. The number of China's administrative personnel is not excessive as compared with other countries. The problem is that some of these people are not properly placed. China has overstaffed some special economic departments and units, while economic supervision, market management and comprehensive regulation departments need more personnel.

The organizational reform concerns a new distribution of power and benefits, and will affect the interests of a large number of people. It may also conflict with the traditional system, and rigid, outdated work styles. "That's why the reform cannot be completed overnight," said "Outlook". "It will take a fairly long time."

Foreign Ministry Revises Protocol
OW221332 Beijing XINHUA in English 1215 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — China has achieved successes in reforming diplomatic protocol formalities, yet it should continue its efforts in this regard, a Chinese Foreign Ministry official told XINHUA here today.

In an interview with XINHUA, Chinese Assistant Foreign Minister Tang Longbin said that to meet the needs of its reform and opening to the outside world, China has in recent years undertaken a "comparatively big step in reforming diplomatic protocol formalities."

"This may help cut China's spendings and Chinese leaders may have more time for major state affairs and important foreign affairs," he said.

The assistant minister said that China has carried out the reform according to its actual conditions while referring to international practice.

Noting that farewell banquets are part of pure protocol activities in mutual visits by leaders of different countries, Tang said that quite a few countries have made it a point that no return banquets are necessary when their leaders pay visits abroad or foreign leaders come for visits.

In some countries, their leaders do not attend the return banquets hosted by their visiting foreign counterparts but send their representatives to such an occasion.

"The Chinese Government has decided that Chinese leaders and officials of ministerial level will not give reciprocal banquets or receptions when they pay visits abroad and will not entertain diplomatic envoys of relevant countries in Beijing when they return home," he said.

"This decision has been made in accordance with the practice in those countries, and with the fact that many Chinese embassies abroad do not have the facilities to hold such return banquets," he added.

At the same time, this may help save Chinese leaders' time and energy and the country's spendings, he said, adding that the Chinese embassies may concentrate their efforts on their visiting leaders' major activities.

In view of this, foreign heads of state or heads of foreign governments and other foreign dignitaries do not have to hold return banquets or receptions when they visit China, he said.

China began the reform in this regard in June this year when Chinese leader Zhao Ziyang visited five East European countries and Pakistan.

Tang, who was director of the Protocol Department of the Chinese Foreign Ministry for several years, said China's reform in this regard has won favorable comments from many foreign friends. He quoted an ambassador from a Western country as saying that relations between the two countries have entered a substantial stage and not too many time-wasting protocol formalities are needed.

Describing the reform as a measure saving time and money, a senior diplomat from an African country said it would be beneficial to China and his country.

Tang said that in the past a motorcade of a distinguished foreign visitor could be as long as one kilometer and it seriously disturbed the traffic.

"Recently, his ministry decided that such motorcades should be shortened, with leaders and ministers of foreign countries using limousines and other officials taking mini-buses.

Tang said his ministry has also taken other measures in reforming diplomatic protocol formalities:

— The time for a state banquet will be shortened to one hour and half and the food served be limited to four dishes and one soup, while the number of people to a banquet will also be cut;

— The number of people in foreign delegations is required to be limited. If more people come they are required to pay on their own;

— The entourage of Chinese leaders on their foreign trips should be small. Necessary and diplomatic formalities for leaders' departure and return should be simplified and the number of the people to see them off or greet them should also be cut.

Tang said the reform of diplomatic protocol formalities does not mean "the simpler the better". The Foreign Ministry has restored the practice of arranging guards of honor and firing salutes to enhance the grandeur of welcoming ceremonies, he added.

He said a Chinese leader had recently pointed out that laws and regulations should also be worked out for diplomatic protocol formalities. If the situation changes, Tang said, normal legislative procedures should be followed, he said.

Minister on Combatting Corruption
OW211356 Beijing XINHUA in English 1333 GMT
21 Aug 87

[Text] Beijing, August 21 (XINHUA) — China's top administrative supervisor pledged to resolutely combat embezzlement, bribery, sale of economic information and dereliction of duty by government functionaries in China's foreign economic activities.

This is not only the focus of the country's supervision work at present but also a longtime effort of the institutions.

Wei Jianxing, minister of supervision, made the statement in his first news briefing today since he assumed the post two months ago.

In Sino-foreign economic activities, Wei said, some government functionaries have abused their power and conducted embezzlement and bribery for personal gain. Some even sold economic information and some who were seriously influenced by bureaucracy turned blind eyes to the violations of the country's laws and regulations or were not given proper punishments. Such behavior, he added, "has greatly discredited the country politically and caused great losses economically", exerting a negative impact on the smooth implementation of the country's open policy. The broad masses of cadres and people are also strongly opposed to such unhealthy practices, he said.

The minister urged the institutions directly under the central authorities and large enterprises, those that conduct economic activities with foreign countries in particular, to take the lead in handling such cases. Anyone who is implicated in cases of extorting or receiving bribes, embezzlement, selling economic information or serious bureaucratic mismanagement resulting in great losses to the country will be "severely dealt with, without the slightest leniency", either by being dismissed from his post or dealt with according to law.

China's Ministry of Supervision was established late last year according to a decision of the 18th meeting of the National People's Congress Standing Committee. Supervision institutions will also be set up in all the governments at and above county level by the end of the year. In addition, the Ministry of Supervision will have its agencies in relevant government institutions at the central level. The agency in the Ministry of Foreign Economic Relations and Trade is being organized at the moment.

The Ministry of Supervision is in charge of monitoring the performance of government departments, government functionaries and government-employed factory managers. In the Shenzhen Special Economic Zone, which has already established its supervision bureau, and other areas that conduct economic activities with foreign countries, the performance of managers or other leaders working in Sino-foreign joint ventures or Sino-foreign cooperative enterprises will also come under supervision.

Supervision departments not only supervise the implementation of state policies, laws and regulations but also handle cases involving violations, deal with complaints and charges, and review disciplinary measures taken against government employees.

The Ministry of Supervision will also draft laws and regulations related to the administration of supervision, the minister said, adding that the drafting of an anti-embezzlement law, the administrative procedural law and regulations governing awards and punishments for government departments are now underway.

Minister Urges Nationwide Supervision
OW221116 Beijing XINHUA in English 0808 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — Newly-appointed Chinese Minister of Supervision Wei Jianxing has called for early establishment of an all-round administrative supervision system, according to the "People's Daily" today.

Speaking at a press conference here yesterday, the minister said that all the municipalities, provinces and autonomous regions should set up their supervision bureaus as soon as possible.

Corresponding organs should also be established in each prefecture, county and coastal city open to foreign investment and departments dealing with foreign affairs, the minister said.

The Ministry of Supervision was established in June this year to monitor the performance of government departments, government workers and government-employed factory managers.

According to the 56-year-old minister, its task is not only to supervise the implementation of state policies, laws and regulations but also to handle cases involving violations, deal with complaints and charges, and review disciplinary measures taken against government employees.

The focus of the ministry's work at present, he said, is to supervise the conclusion and implementation of contracts signed with foreigners, and deal with bribery, corruption and malfeasance of government employees, including selling economic information.

The minister explained that in dealing with foreign or Hong Kong businessmen, some government employees seek personal gain at the expense of the state interest. In

some economic contracts, China has suffered great losses not because of the ignorance on the Chinese side but because of bribery and malfeasance of government employees.

"This has evoked strong repercussions from among the great masses of the people," he noted, adding that his ministry will take serious action against these abuses.

The work will start from central government departments, big enterprises and those units that have made great losses in their contracts with foreign businessmen, said the minister, who studied enterprise management in the Soviet Union in the 1950s and served as mayor of Harbin and head of the Organization Department of the party Central Committee.

So far, supervision organs have been set up in the Shenzhen Special Economic Zone, the city of Dandong in Liaoning Province and the Tibet Autonomous Region.

Official on CPC Action Against Writers
HK240451 Hong Kong HONGKONG STANDARD in English 24 Aug 87 p 8

[by Yau Shing-mu in Beijing]

[Text] By taking disciplinary action against five popular writers and theorists the Chinese Communist Party removed an obstacle on the road to reform, a vice-minister of culture said yesterday.

Talking to *The Standard* in Beijing, Vice-Minister Ying Ruocheng said the coming October National Party Congress would mark a watershed for reform in China.

"There will be a remarkable change and an openness in our economy, our politics as well as our ideology," he said.

Asked why the five, including playwright Wu Zuguang and a past deputy-editor of the *People's Daily*, Wang Ruoshui, were asked to resign from the party before the congress Mr Ying said the move was "to clear the way, not for regression, but for reform."

Mr Wang, however, has said publicly that he will not resign and has been quoted as saying: "I don't care," when asked if he expected to be expelled if he did not hand in his membership.

Mr Wang was a primary target of the 1983 campaign against 'spiritual pollution' for his outspoken views about what could and what should be criticised.

But Mr Ying said that the five had not really helped in the reform efforts.

"On the contrary, what they did and said created trouble and this was actually quite counter-productive," said Mr Ying, apparently hinting that they were scapegoats in the conservatives' struggle for power.

"Instead of helping one side, they helped the other," he said.

Apart from the five, Mr Ying said no more people would be expelled. He also said both Mr Wu and Mr Wang were just asked to leave the party.

"They can still live as usual. Mr Wu may still write his plays," said Mr Ying, who is also an actor and a playwright. He said Mr Wu should concentrate on writing his plays. His frequent and harsh criticism against censorship, for example, did not serve him any good, Mr Ying said. "My works have never been censored. Neither did I hear of any of his plays being censored."

Mr Wu was one of the main critics of the "anti-spiritual pollution campaign" which was in part launched by conservative Hu Qiaomu.

"I am nearly 70 years old," he was quoted as saying. "I don't care what they do to me."

Referring to this Mr Ying said "if you want to talk about self-censorship, I may say that self-censorship is everywhere in the world."

However, he declined to elaborate what actual 'crimes' the five had committed.

But he reiterated that the ongoing reforms have passed a point of no return.

"Our party is a serious party. Once a policy is decided, it can hardly be changed. You may expect bolder moves be taken towards reform, to open and to invigorate our system.

New Propaganda Leadership Group Formed
HK211531 Hong Kong KUANG CHIAO CHING in Chinese No 179, 16 Aug 87 pp 10-12

[Article by Kuan Cha-chia (7070 1234 0163): "Bao Tong Pursues and Attacks 'Leftist' Theories" — first three paragraphs are KUANG CHIAO CHING introduction]

[Text] At a report meeting in Zhongnanhai, Beijing, the newly established "leadership group" responsible for the country's propaganda work made its debut. Its members include Hu Qili, Gao Yang [7559 2254], Wen Jiabao [3306 1367 1405], Chen Junsheng [7115 0193 3932], Bao Tong [7637 1749] and Wang Renzhi [3769 1804 0037].

At the report meeting, Bao Tong delivered a systematic and lengthy speech. He countered the "case for making a new effort to set things to rights," raising the questions "Does this mean another seizure of power? Is this in keeping with the central authorities' principles?"

It is reported that assuming that the "13th CPC National Congress" stresses the need to reduce the average age of cadres, Wen Jiabao, Bao Tong, and Chen Junsheng could be admitted to the Central Secretariat.

An Unusual Report Meeting in Zhongnanhai [subhead]

In mid-July, 1987, the responsible persons of some of Beijing's important propaganda organs were summoned to Zhongnanhai to report on their work. The report meeting was quite an unusual one. The CPC is trying to adapt its propaganda departments to the reforms and pursuit of the opening up policy, by means of organizational and personnel measures. Wang Renzhi, head of the CPC Central Committee's Propaganda Department, presided at the "report meeting." However, Hu Qili, not Deng Liqun, who has been in charge of propaganda work for a long time, attended the meeting on behalf of the Central Secretariat. People who were there to listen to reports and give instructions included Gao Yang, president of the senior [as published] party school, Wen Jiabao, director of the General Office of the CPC Central Committee, Chen Junsheng, secretary general of the State Council, and Bao Tong, a vice minister of the State Commission for Restructuring the Economic System.

Bao Tong's Speech [subhead]

According to informed sources at the report meeting, it was Bao Tong, who has never been a leader of any of the propaganda departments, and not Wang Renzhi, who presided at the meeting, nor Hu Qili, who attended the meeting on behalf of the Central Secretariat, who presented systematic views on propaganda work.

At the meeting, Bao Tong delivered a long speech calling for further efforts to publicize the reforms and pursuit of the opening-up policy. He said: Since 13 May, 1987, the day on which Zhao Ziyang delivered an important speech, the newspapers have devoted further efforts to publicizing the reforms and pursuit of the opening up policy. The people welcome this. However, this is still very inadequate in view of the demands to be set at the "13th CPC National Congress." He called for further efforts to publicize economic structural reform and suggested that changes be made in publicizing structural reform.

Part of his speech was devoted to commenting on the conditions within the theorist community over the past few years. Thus, it has drawn special attention from among Beijing's intellectuals.

Any Need for Another Seizure of Power? [subhead]

In his speech, Bao Tong said: "I do not agree with the view that over the past few years there has been a much louder voice for bourgeois liberalization than for Marxism among theorists. If that were the truth, how could our achievements have been made at all? I think that such a view has encouraged bourgeois liberalization." After expressing his views, Bao Tong charged: "If one says that the theoretical circles are no longer dominated by Marxism, is this not tantamount to implying that there is need for another seizure of power? Is this in keeping with the central authorities' principles?"

For some time, a few people in Beijing have been saying that over the past few years, Marxism has been suppressed among China's writers, academicians, and theorists, whereas bourgeois liberal views were given the

green light in various newspapers. Some observers have pointed out that by "evaluating things" in such a manner, these people are actually trying to introduce a basis for a full-scale "criticism" among ideologues and theorists. What is even more shocking is that a certain person of high standing, who has been in charge of a certain propaganda department for a short while, described at a high-level meeting the struggle against bourgeois liberalization as a new effort to "set things to rights." This is tantamount to equating the state of China's theoretical circles in recent years with that during the "Cultural Revolution," when ridiculous views and heresies, which should be radically negated, prevailed. Thus, many intellectuals worried that the time when the country was endangered by people who arbitrarily bludgeoned others and when 10,000 horses stood mute [when others were apathetic] would come again. Those theorists who have explored and innovated for the sake of the reforms and the pursuit of the opening-up policy were even waiting to be attacked by name.

Bao Tong's speech at the meeting was obviously an explicit refutation of the "case for setting things to rights again." Given his present status and influence in China, his speech has produced a reassuring effect on people. Intellectuals in Beijing have informed each other of what he said at the meeting and his speech has thus become widely circulated.

Re-establishing the Leadership Group for Propaganda Work [subhead]

Why was Bao Tong running the show at such an important meeting on propaganda work arrangements?

According to reliable sources, to more satisfactorily adapt propaganda work to the reforms and the pursuit of the opening up policy, high-level CPC authorities have authorized Hu Qili to organize a group to be in charge of propaganda work. The group has been formed after much deliberation. The group is headed by Hu Qili. Its members include Gao Yang, Wen Jiabao, Chen Junsheng, Bao Tong, and Wang Renzhi. The purpose of the report meeting was to allow it to make its debut.

Zhao Ziyang Places High Hopes on Gao Yang [subhead]

Most of the members of this group are new faces. Gao Yang is the only exception. Gao Yang, who was once the secretary of the Hebei Provincial CPC Committee, has always been known for his liberal views. China's literature, academic studies, and theoretical work are his major concerns. He pays close attention to fostering young talent. Gao Zhanxiang, the present minister of culture, was fostered and appointed by Gao Yang as the deputy secretary responsible for literature and art work when he was secretary of the Hebei Provincial CPC Committee. Gao Yang withdrew from the front line and became a member of the Central Advisory Commission the year before last. However, he came out in March this year to replace Wang Zhen, a senior member of the CPC, as president of the the CPC Central Committee's senior

party school. According to people from the Beijing Party School [name of organization as published], since he assumed office, he has been stressing that teaching and research at the party school should be such that they facilitate the reforms and the pursuit of the opening up policy, and the school spirit has changed significantly in just a few months. It is reported that at a certain high-level conference, Zhao Ziyang indicated that hoping to invigorate the theoretical study of the reforms, he placed high hopes on Gao Yang. Thus, this experienced old man has not been invited to join the group responsible for high-level propaganda work by chance.

Three Rising New Political Stars Politics [subhead]

It seems that Wen Jiabao, Chen Junsheng, and Bao Tong are three rising new political stars. Wen Jiabao, 44, was once a geological engineer. He was promoted to the post of vice minister of the State Council's Ministry of Geology and Mineral Resources a few years ago and was later appointed deputy director of the CPC General Office. In 1986, he replaced Wang Zhaoguo as its director. Chen Junsheng, now in his 50's, has worked for a long time in Heilongjiang. A few years ago, he was transferred to the Office of the State Council. He has been promoted from deputy secretary general to secretary general. On one occasion, in the presence of some foreign visitors, Deng Xiaoping referred to Zhao Ziyang as the CPC's chief housekeeper. One can indeed refer to Wen and Chen as housekeepers of the country's central party and state organs. They are in close contact with Zhao Ziyang, who is both premier of the State Council and acting general secretary of the party. Bao Tong has been Zhao Ziyang's secretary for many years. When the State Council formed the State Commission for Restructuring the Economic System, Zhao Ziyang was appointed its minister and Bao Tong was made a vice minister of the commission. It goes without saying that Zhao Ziyang relies very much on him and trusts him. It is widely believed in Beijing that at the "13th CPC National Congress," which is expected to stress the need to reduce the average age of cadres, these three men will be offered jobs in the Central Secretariat and that they could even be candidates for membership of the Political Bureau.

Bao Tong Is in Charge of Concrete Propaganda Work [subhead]

It seems that among these three new stars, Bao Tong will shoulder more practical responsibility as far as propaganda work is concerned. The reason is simply that Wen Jiabao and Chen Junsheng have much work to do in the CPC General Office and the State Council. Therefore, they cannot devote too much energy to propaganda work. On the other hand, Bao Tong is also more experienced and better qualified to be in charge of propaganda work.

When he was Zhao Ziyang's secretary, Bao Tong very frequently participated in drafting important documents. He is one of the scholars among the new generation of hopefuls in central organs. As a Vice Minister of

the State Commission for Restructuring the Economic System, Bao Tong conducted some comparative studies on theoretical issues. The State Commission for Restructuring the Economic System is actually the State Council's think tank. This organization welcomes the talented and the learned, and has recruited some middle-aged and young scholars who understand the theories and world trends, and who are familiar with construction and the reforms in the country. These people conduct both practical and theoretical studies of problems on the basis of the specific needs in each stage of the reform, and raise proposals for reference by policy-makers. With experience gained from this work, Bao Tong has gradually become one of China's important reform theorists. It was reported in the July issue of *Kuang Chiao Ching* that although Zhao Ziyang is responsible for drafting the political report to be presented at the "13th CPC National Congress," it is Bao Tong who is actually in charge of the group of people responsible for penning it. Of course, the keynote and basic viewpoints of the report are decided by the topmost CPC authorities. However, it is the duty of the drafters to elaborate on specific points. Undoubtedly, Bao Tong will play a crucial role in this work. According to the previous issue of *Kuang Chiao Ching*, discussions on the proposition that China is still in the initial stage of socialism will be the most salient feature of the political report to the "13th CPC National Congress." What merits our attention is that in his article "Capitalism as an Old Horse and Socialism as a Young Horse," which Bao Tong published shortly after the campaign against liberalization was started, he has already said something about the initial stage of socialism. Given his background, and although he has never before held a single important post in the CPC Central Committee's propaganda departments, the decision to adapt the country's present propaganda work to the reforms and pursuit of the opening up policy, and to try to meet the needs of the "13th CPC National Congress," by making him a member of the CPC's highest-level propaganda group and by letting him shoulder more practical responsibility, is obviously an appropriate one. This is precisely the reason why he was allowed to dominate the report meeting.

It Is Still Difficult To Tell Whether Wang Renzhi Will Go or Remain [subhead]

Of course, Wang Renzhi has joined the group because he is the present head of the Central Propaganda Department. He was once a deputy chief editor of *Hongqi* and he was given the present post shortly after the struggle against liberalization began. It seems that he disagrees with other members of the group on a number of issues. In Beijing, people have formed different opinions on the question as to whether he will go or remain.

Where Will Deng Liqun Find Himself in the Future? [subhead]

People are more interested in the question of where Deng Liqun, whose influence on propaganda work has drawn public attention for many years, will go.

A very widely held belief is that Deng Liqun, who is not in charge of propaganda work any more and yet who is still a central secretary, will be admitted to the Political Bureau after the "13th CPC Central Committee." However, an official from the Central Propaganda Department is positive that Deng Liqun is still the person in charge of propaganda work in the Central Secretariat. Some people working in the news media have furnished ambiguous answers to the question of whether a small group has been formed to take over the authority over propaganda work from Deng Liqun. One is indeed puzzled by this.

Why is it so? Is it because shocks can be avoided if the arrangement is not publicly announced? Or is it because there are still strong objections to it? Outsiders really cannot tell for sure.

Commentator Views Propaganda, Reform
HK211039 Beijing JINGJI RIBAO in Chinese
6 Aug 87 p 1

[Commentator's article: "Propaganda for Reform and Reform of Propaganda"]

[Text] Some time ago, comrades in theoretical circles put forward a proposition: "The Theory of Reform and Reform of Theory," and wrote articles on this subject. The gist of the content is that reform needs the stepping up of theoretical study and theoretical guidance, and theoretical study itself also needs reform. Similarly, this proposition is also applicable to the current propaganda front.

Reform needs the strengthening of propaganda and propaganda needs reform. At least, this is a problem posed at the same time as reform is carried out. It is in itself an important component part of reform and, in the wake of the deepgoing development of reform, this problem appears more and more important.

The reform which we are carrying out today is a profound revolution. Like all great revolutionary causes, it can only be accomplished by relying on the understanding, support, and active participation of the majority of people, rather than that of a small number of people. Lenin said that the more profound the transformation we carry out, the more we must arouse people's interest in that transformation and call on them to adopt a conscientious attitude, so as to make thousands upon thousands of people understand the necessity of such a transformation. In his talks to the editorial personnel of *Jinsui Ribao*, Comrade Mao Zedong repeatedly and profoundly expounded on this question. He said that the leaders, cadres, and masses must be made to understand our policies. When the masses recognized the truth and had a common goal, they would make concerted efforts. When the masses made concerted efforts, everything could be easily achieved. He also pointed out that it was a basic principle of Marxism-Leninism and of the art of leadership of Marxism-Leninism to enable the masses to understand their own interests and to unite to struggle for their own interests.

In the course of the practice of reform over the past few years, we have seen that the degree of understanding and support for reform among the masses and the ability to endure of the psychology of society (including the cadres and the masses) have become important conditions for whether or not reform can be smoothly carried out. Reform involves the interests of everyone and reform is, in a sense, a readjustment of powers and interests, which makes reform more rational, arouses people's enthusiasm and initiative to the greatest extent, and develops the productive forces of our country. It is in the basic interests of all the people of our whole country that the strong points of the socialist system are fully brought into play and productive forces developed. It is from this starting point that our party formulates all policies in the course of exercising leadership over reform. Therefore, not every measure for reform can serve everybody's present interests, and sometimes the interests of some people will temporarily be affected. There is always a problem here of the coordination of the collective interests and individual interests. There is often a situation in which, when reform develops in depth and affects some people's vested interests and powers, we see that contradictions between parochial interests at a particular time and individuals' selfish motives on the one hand, and the interests of the whole society and laboring people's long-term interests on the other, have come to light and become an ideological obstacle to reform.

Whether reform of the economic structure or reform of the political structure, which will soon be carried out, or reforms in other spheres, they are all closely linked with the transformation of concepts. In the whole course of reform, we shall encounter ideological interference coming from the right and the "left." That from the right is the ideology of "total Westernization," which negates the four cardinal principles and which ran rampant in the previous period, and which, since the struggle against bourgeois liberalization, as a trend, has been basically changed, but not basically resolved in some people's minds. As we are in an environment of opening up, this ideology will emerge and grow in the minds of other people and we must, therefore, be vigilant and unremittingly publicize the four cardinal principles. That from the "left" is ossified ideology, which is dying relatively hard, and, as people have worked and lived for a long period under the old structure, this ossified ideology has been turned into social concepts and a force of habit. People frequently use the old concepts to assess new things. Either the right or the "left" will jeopardize reform and, when they are compared, the current danger from the "left" is greater. This is determined by the nature of reform and opening up. The "left" ideology is related to the old structure. What we want to reform is the old structure, which hinders the development of productive forces, and this will surely affect "left" concepts. It is more difficult to resolve "left" things which are linked with vested interests. Although there are now not many people who publicly oppose reform, when complications emerge in the course of reform, or when there is a new reform measure, traditional and ossified ideology will easily manifest itself and obstruct the advance of reform.

Our reform commenced when theoretical and public opinion preparations had been very insufficiently carried out. Practice has proved that many measures are advantageous to the development of productive forces but, due to the fact that theory has not caught up with the situation, they are often censured and blamed for running counter to Marxism and for not being "socialist," but "capitalist." When some comrades who engage in reform have defects and faults in their work (this is almost unavoidable), they are especially liable to censure and attack, so that some comrades who are determined to vigorously carry out reform dare not justly and forcefully forge ahead, and many of the masses cannot make head or tail of the situation and fear that the policies may be changed.

To sum up the foregoing, stepping up propaganda for reform has become an important task of deepening and speeding up reform. Reform must have powerful public opinion as its precursor and backing. We must publicize the urgency and complexity of reform so as to enable everybody to be convinced that only by carrying out reform can China be invigorated and that only by adhering to reform can we solve the problems emerging in the course of reform. We must justly, forcefully, vividly, and specifically disseminate the achievements already scored in reform in order to strengthen people's confidence in reform. We must expound the socialist nature of reform and answer in a planned and methodical way the questions concerning understanding posed by the masses. In coordination with every item of reform which is carried out, we must do a good job in the explanatory work. We must publicize the protracted nature and complexity of reform, practically and realistically explain the problems which might possibly be encountered in the course of reform, enhance our ability to endure, and not impractically disseminate and promise the bringing of advantages to the people by reform. We must publicize advanced experience in reform and the advanced thinking and deeds of the people who carry out reform, and establish the glorious social practice of vigorously carrying out and supporting reform. We must also publicize the relation between reform and economic development, link propaganda for reform with double increase and double economy, actively and prudently disseminate reform of the political structure, and oppose feudalism and bureaucratism.

We must see that since the 3d Plenary Session of the 11th CPC Central Committee, we have scored very great achievements in our propaganda work, in publicizing the party's line, principles, and policies, in bringing order out of chaos, and in disseminating reform. However, there is no need for reserve and there are still many unsatisfactory areas. For a long period of time, under the influence of the "left," and particularly during the 10 years of turmoil, the "gang of four" controlled the means of propaganda, publicized the taking of class struggle as the key link, disseminated feudalism and superstition, indulged in lies, bragging, and idle talk, pursued formalism, and launched drives perfunctorily and superficially, so that the party's newspapers and journals were seriously divorced from the masses and even the word

propaganda became a derogatory term. Since order was brought out of chaos, the newspapers and journals have restored the party's traditions and established close ties with the masses, but many defects still exist in the propaganda methods, work style, and attitude. For example, when they publicize the party's policies, they do not study them sufficiently, understand the actual situation, or know much about what the masses think. Particularly in the aspect of writing style, they have dried up language, many hackneyed and stereotyped expressions, and polite formulas, and they speak in a bureaucratic tone, and their words are aimed at nothing and are not convincing. Some comrades introduce many new terms and new concepts which they do not quite understand themselves and which readers also do not know. In propaganda for the criticism of bourgeois liberalization at the beginning of this year, leading comrades of the central authorities pointed out that not many articles were really convincing and could strike root in people's minds. Comrades of our newspaper recently went to a large Beijing compound occupied by many households and had a chat with residents there. They discovered that the materials taken from newspapers were not welcomed by the masses and that their own language was not so vivid and lively as, and did not hit the nail on the head like, that of the masses. In current propaganda work, stepping up propaganda for reform and reforming propaganda methods are equally important tasks.

After Comrade Zhao Ziyang released his 13 May speech, it produced a very good reaction among the masses. Comrade Zhao Ziyang proposed that two basic points should be adhered to. The two basic points are the most scientific summary of the line since the 3d Plenary Session of the CPC Central Committee, and are the long-term guiding ideology of our propaganda work. We must both publicize the four cardinal principles and disseminate reform and opening up without sparing any effort. If people go in for the "theory of headrope and meshes" [referring to a fishing net in which the pulling of the headrope causes the meshes to open], and treat the two things as having the relationship of a headrope and meshes, they put reform and opening up in a subordinate position, and this is wrong. If each person goes in for the "theory of one point" which suits him, and uses one basic point to exclude the other basic point, this is also incorrect. If their opinions veer here and there, the masses will be made to feel that the policy of reform can be changed. We must publicize the two basic points in an all-round way, unite these two basic points in the practice of building socialism with Chinese characteristics, and unite them in the basic task of developing productive forces. At the same time, we must improve propaganda methods, enhance the art of propaganda, and strengthen propaganda results.

It is a long-term task to reform propaganda methods and to enhance the art of propaganda. We have many things to do and important methods are to be resolved to change the work style of indiscriminately copying and transmitting the spirit of the central authorities like an "office for incoming and outgoing mail," to get rid of the

air of an educator who stands high above the masses, to get ourselves moving, and to go out of doors and among the masses to make friends with them. We must know what they are thinking and discussing and know what language we must use to state the current social and economic problems. We must humbly learn from them. In this way, we can enable our articles and reports to have a definite object in view and lively language and to be loved by the masses. Many fraternal newspapers have set an example and made a good start in this aspect. This newspaper is willing to humbly ask for advice and learn from them and rouse itself to catch up in the hope of giving play to its own role in the course of reform.

Yu Qiuli Honors PLA Members
OW211530 Beijing XINHUA in English 1433 GMT
21 Aug 87

[Text] Beijing, August 21 (XINHUA) — Today a ceremony honored 19 People's Liberation Army soldiers for their efforts in educating children.

Yu Qiuli, member of the Political Bureau of the C.P.C. Central Committee and director of the P.L.A.'s General Political Department, awarded medals and certificates to the recipients, and said he was glad to see P.L.A. members helping to educate youngsters.

"It is an honor for schools to trust the P.L.A. and invite Army members as instructors," Yu said, adding P.L.A. units should send more instructors to schools and children's organizations, offer college and high school students more opportunities to receive military training, and make it more convenient for students to visit Army units.

In China, several thousand P.L.A. members including old generals, staff and retired officers and soldiers have been invited as school instructors, Yu explained adding these individuals have helped sponsor educational extra-curricular activities.

At the ceremony, held in the Great Hall of the People, three soldiers, all outstanding children's instructors, told their stories to the 500 in attendance.

Two marshals, Xu Xiangqian and Nie Rongzhen, wrote congratulatory letters to those receiving awards and Deng Yingchao, widow of late Premier Zhou En'ai, met with the 19 after the meeting.

Yu Qiuli At Basketball Tournament
OW211816 Beijing XINHUA in English 1736 GMT
21 Aug 87

[Excerpt] Beijing, August 21 (XINHUA) — The Soviet Union overpointed China 83-75 while the United States university big eight conference all stars team edged the Czechoslovak team 74-69 on the opening day of the Beijing International Men's Basketball Invitational Tournament at the capital gymnasium here this evening.

Among those present watching the tournament's opening ceremony and the two matches was Yu Qiuli, member of the Political Bureau of the Central Committee of the

Chinese Communist Party and honorary president of the Chinese Basketball Association. Yu earlier met with the all eight foreign teams' managers from Austria, Czechoslovakia, Japan, Malaysia, Poland, the Soviet Union, Thailand and the United States, and parts of leaders of the Asian Basketball Confederation. [passage omitted]

Gu Mu Urges Better Tourism Management
OW211805 Beijing XINHUA in English 1539 GMT
21 Aug 87

[Text] Beidaihe, August 21 (XINHUA) — A centralized and unified management structure should govern China's tourist industry, State Councillor Gu Mu said today.

Gu made the statement at a meeting on the reform of China's tourist industry management system sponsored by the National Tourism Administration and attended by officials in charge of central and local tourism departments.

"The reform will improve service and protect tourists' legal rights," Gu said, "and by centralized and unified management we mean coordinating the whole industry under the guidance of state policies and long-term planning, with related departments having input in making the necessary rules and regulations."

"Tourism in China has developed rapidly in recent years," Gu said, adding in terms of foreign currency earnings from the industry, China ranked 17th in the world in 1986, compared with 41st in 1979.

Meeting participants admit China's tourist industry still faces problems, specifically a weak management system which causes inconveniences to foreign tourists, a lack of unified planning for the establishment and management of tourist hotels, the unfair competition of different agencies who offer cut-rate prices, and the improper behavior of some tourist personnel.

The participants also agreed these problems will be solved via the reforms.

Gu Mu, Others Mourn Comrade
OW220511 Beijing XINHUA Domestic Service in Chinese 1105 GMT 21 Aug 87

[Excerpts] Beijing, 21 Aug (XINHUA) — A ceremony to pay last respects to the remains of Comrade Liu Zilian, former vice minister of chemical industry, was held in the auditorium of the Babaoshan Cemetery for Revolutionaries today.

Liu Zilian died of illness in Beijing on 11 August at the age of 71. [passage omitted]

There were wreaths from Han Guang, Gu Mu, and Kang Shien. Qin Zhongda, minister of chemical industry, attended the ceremony.

Wan Li Lauds Guangzhou Contracts
OW230905 Beijing XINHUA Domestic Service in Chinese 0115 GMT 23 Aug 87

[By reporters Jiang Zuozhong and Qi Xiu]

[Excerpts] Guangzhou, 23 Aug (XINHUA) — The suc-

cessful results achieved by the Guangzhou Railway Bureau since it adopted the all-around economic contracting system this year have been summarized by the people, who say that the system has "aroused the enthusiasm of staff members and workers, raised efficiency, and developed productivity." Vice Premier Wan Li also conveyed his praise when he met with representatives to the national meeting of directors of railway bureaus in early August. He said: "The contract system at the Guangzhou Bureau is good indeed." [passage omitted]

The Guangzhou Railway Bureau has also enhanced macro control, improved office work style, and introduced new operations and services after it began the "all-around contract system." It has also achieved good results in implementing a series of supportive reforms. In the first half of this year, total freight volume of the whole bureau increased by 13.8 percent over the same period last year, transportation income increased by 18 percent, labor productivity increased by 9.6 percent, and per capita income of staff members and workers increased by 9 percent. All this demonstrates the success of both transportation and construction work.

Wan Li Attends Bridge Tournament
OW240106 Beijing XINHUA Domestic Service in
Chinese 1330 GMT 23 Aug 8

[By reporter Ma Xiaolin]

[Excerpt] Beijing, 23 Aug (XINHUA) — Following 2 days of fierce competition, the "North Star" international invitational bridge tournament came to an end today at the Beijing Lido Holiday Hotel.

This was the biggest international invitational bridge tournament held in China, attended by 140 bridge fans and representatives of the diplomatic missions and foreign trade companies from a dozen or so countries. Wan Li, vice premier of the State Council and honorary chairman of the China Bridge Association, and Rong Gaotang, chairman of the China Bridge Association, attended the closing ceremony and presented the trophies and certificates to the winners. [passage omitted]

Yang Shangkun, Wang Zhen in Xingcheng
OW211205 Beijing XINHUA Domestic Service in
Chinese 1607 GMT 20 Aug 87

[By reporter Li Shangzhi]

[Excerpts] Beijing, 20 Aug (XINHUA) — Yang Shangkun, member of the Political Bureau of the CPC Central Committee and permanent vice chairman of the Central Military Commission, and Wang Zhen, vice chairman of the Central Advisory Commission, inspected Xingcheng City in Liaoning in spite of the rain yesterday. They urged the relevant departments and the local government to work closely together to make the city a "second Baidaihe" as quickly as possible.

Xingcheng changed from a county to a city last year. A coastal city facing the Bohai Sea and flanked by hills nearby, it has a beautiful landscape and pleasant weather, and its beaches are good for swimming. The idea of

making Xingcheng into a "second Baidaihe" was first conceived by Premier Zhao Ziyang during his tour of the city in July 1984. [passage omitted]

As the leaders ascended the ancient castle's central beacon tower, they got a bird's-eye view of the East, West, South, and North gates of the castle, the Ming Dynasty streets, temples, and other cultural relics. Xingcheng City Party Committee Secretary Wang Enfu told them that the on-location scenes of the movies "Three Visits to the Mountain Town" and "Guerrillas on the Plain" and the TV film "Nu-er-ha-chi" were shot in the castle, as will be those of another TV film, "Yuan Chonghuan." Yang Shangkun said: "This ancient castle should be carefully preserved; it would be impossible to find such good a location for making movies and TV films." Everybody nodded approval.

After learning that the First Beach, which had been opened to the public, was receiving more than 40,000 tourists a day and up to 100,000 during peak periods, and that with the completion of the Second and Third Beaches, the place could receive up to 300,000 vacationers a day, Comrade Yang Shangkun said: "The pace of construction has been fast, but quality must also be ensured. Quality should come first."

The leaders also asked about the city's civic construction, protection of cultural relics, development of tourist facilities, and land utilization and management. Comrade Wang Zhen urged city party committee and city government cadres to open some local sanatoriums to the public and ensure the supply of fresh water and electricity to newly built tourist facilities. Comrade Yang Shangkun said: The development of tourist resources to serve the needs of the four modernizations is our guiding principle. We should strive to attract more tourists from abroad while opposing sightseeing at public expense at home. He hoped that the city would become a completely modernized tourist city within 5 years. [passage omitted]

Yang Dezhi Awards Veteran Painters
OW210555 Beijing XINHUA Domestic Service in
Chinese 1543 GMT 20 Aug 8

[By reporter Chen Xiangnan]

[Text] Beijing, 20 Aug (XINHUA) — A ceremony was held in Beijing today to present awards to winners of the first all-Army exhibition of calligraphical works, paintings, and seal cuttings by veteran cadres. Yang Dezhi and others presented awards to 150 veteran cadres from various major units of the Armed Forces.

The exhibition, which opened on 30 July, was well received by the masses, especially retired cadres.

Ulanhu Leaves Nei Monggol 20 Aug
SK220517 Hohhot Nei Monggol Regional Service in
Mandarin 1000 GMT 21 Aug 87

[Excerpts] After ending his inspection tour and visits in our region, Vice President Ulanhu left Hohhot and returned to Beijing by train yesterday evening. During

his stopover in his hometown, Ulanhu participated in celebration activities to mark the 40th anniversary of the founding of Nei Monggol Autonomous Region in the capacity of leader of the central delegation. After that, he went deeply to the rural and pastoral areas to conduct inspections on several occasions and visited some people in an effort to understand their production and living conditions. In addition, he also cordially met with many veteran comrades and old friends as well as cadres and the masses from various quarters.

When Ulanhu was about to leave his hometown, he said good-by with deep feeling to the people of various nationalities in the region through television and radio broadcasts.

At the Hohhot railway station, girls wearing national costumes presented (Haza) and flowers to Vice President Ulanhu. They also sang touching Mongolian songs to say farewell to their beloved one. [passage omitted]

Seeing Vice President Ulanhu off at the railway station were leading comrades of the regional party, government, and army organs and the regional government, including Zhang Shuguang, Bu He, Qian Fenyong, Batubagen, Wang Duo, Cai Ying, He Yao, and Shi Shengrong; Ting Mao, member of the Central Advisory Commission; and Kong Fei, member of the Standing Committee of the national CPPCC Committee. Also present at the railway station were leaders of the autonomous region and Hohhot City, including Wen Jing, Lin Weiran, Hao Xiushan, (Zhang Hangong), and Jia Cai.

Li Peng Inspects Ship Accident

OW211447 Beijing XINHUA in English 1414 GMT
21 Aug 87

[Text] Shanghai, August 21 (XINHUA) — Vice-Premier Li Peng called on Baoshan iron and steel workers to ensure normal production while racing against time to repair the damaged wharf bridge.

During an inspection tour of one of China's largest steel works near Shanghai, the vice-premier said that the first and foremost important task is to make every effort to ensure the normal production of Baoshan.

On August 13, the Panamanian ship, *The Falcon Sya*, carrying 30,000 tons of chemical fertilizer, docked temporarily at Baoshan's No 4 raw materials wharf. The ship broke its cable and drifted into a 160-meter bridge approach, snapping the approach in the middle and causing one of the company's wharves to cease operation.

One raw materials wharf is still under repair with an auxiliary wharf now in operation. But the company has basically resumed operations.

Li inspected the accident site with Shanghai's Mayor Jiang Zemin and they discussed how to handle the accident with leading officials of the metallurgical and communications ministries and the Shanghai municipal party committee.

Li called for close cooperation of various departments to get the bridge approach and wharf repaired quickly to ensure the company's raw materials supply.

While in Shanghai, Li also visited the plant's cold rolling mill, one of Baoshan's major second-phase construction projects.

Zhang Jingfu Inspects Xian Aircraft

HK240057 Xian Shaanxi Provincial Service in
Mandarin 2330 GMT 23 Aug 87

[Text] State Councillor Zhang Jingfu, accompanied by Shaanxi Governor Zhang Boxing and others, inspected the Xian Aircraft Manufacturing Company and other enterprises on 22 August. Zhang Jingfu heard a report by the company's chief designer (Hui Zhibin) on placing the Yun-7 aircraft in civil aviation service. He also heard a report by (Gao Zhanmin), general manager of the Xian Aircraft Research and Development Center, on cooperating with foreign aircraft companies in the development of passenger aircraft.

Zhang Jingfu pointed out that the Yun-7 aircraft must meet the demands submitted by the civil aviation departments. In the future, China should gradually succeed in producing all its civil aircraft itself.

On cooperating with foreign companies in the development of passenger aircraft, Zhang Jingfu said: We must work hard and strive to take part in the whole process of such research and development.

Zhang Jingfu also entered the Yun-7 plane and asked various questions about it. He also visited the units involved in designing, producing, and test-flying the plane.

Yang Dezhi Views Opera on Leaders

OW232330 Beijing XINHUA Domestic Service in
Chinese 1232 GMT 23 Aug 87

[By reporter Li Xiuqing]

[Excerpt] Beijing, 23 Aug (XINHUA) — The Guangzhou Military Region's Beijing Opera Troupe has successfully experimented with depicting proletarian revolutionary leaders in the forms of Beijing opera. The plays "Peng Dehuai Carries the Sedan," "He Long Pays for the Bridge," and "Chen Yi Serves as a Matchmaker," staged this evening, were a smash hit with Beijing audiences.

On hand to applaud the plays with the audiences were such leading comrades as Yang Dezhi, Wang Ping, Wang Shoudao, Wu Xiuquan, and Li Desheng. [passage omitted]

Students Spend Summer on Practical Work

OW220552 Beijing XINHUA in English 0544 GMT
22 Aug 87

[Text] Beijing, August 22 (XINHUA) — Hundreds of thousands of college students went to rural areas and factories to do practical work during this summer vacation, state education officials told *Xinhua* today.

Over 10,000 students from 60 schools of higher learning in Jiangsu Province, east China, went to small and medium-sized urban and rural enterprises and underdeveloped areas to help them with their technical upgrading projects and offer enterprise leaders refresher courses. Many schools sponsored investigation trips for their students.

After a comprehensive survey of Ankang Prefecture in Shaanxi Province, northwest China, Beijing University students wrote a report on the local social and economic development strategy, which has drawn the attention of the local leadership.

Over 3,000 students from Shandong Province, and Beijing and other big cities went to 14 poor counties in the Yimeng mountainous area in Shandong Province. There they helped with technical transformation and training and research work.

Using vacations to do practical work, which was first started by college students themselves, has now been taken by many universities and colleges as a necessary step in training their students. In these schools the students' achievements in practical work are included in their school reports.

It is the hope that the practical work will help students learn to use what they learned in schools to serve economic construction and to attain a better understanding of society and themselves as well.

Now many students have returned to their schools and homes from rural areas and enterprises. Many of the 2,000 Nanjing University students who worked in rural areas and factories have turned in their investigative reports for teachers' comments.

Some students wrote that they used to have an unduly high opinion of themselves but in fact they had little knowledge about society. "Reform and construction need down-to-earth efforts," one student wrote.

Schools Offer Civil Defense Courses

OW211143 Beijing XINHUA Domestic Service in Chinese 0539 GMT 21 Aug 8

[Text] Beijing, 21 Aug (XINHUA) — Beginning from the new school year, middle schools in 17 Chinese cities where civil defense has been made one of the major tasks will offer courses on coping with nuclear, chemical, and biological warfare.

In September 1986 the State Education Commission and State Civil Defense Commission issued a joint circular instructing middle schools in China's major civil air defense cities to offer courses on guarding against these three types of warfare. The Antichemical Corps Department of the PLA General Staff Headquarters organized some colleges and schools to compile related teaching material and develop related teaching tools. The teaching material and tools were used on a trial basis in some

schools in those cities. The experiment shows that the teaching of such courses enables students to have a better understanding of national defense and enhances their capability to guard against nuclear, chemical, and biological warfare and cope with surprise incidents.

It has been reported that the teaching of protection against nuclear, chemical, and biological warfare has long been included in the curriculums of middle schools and institutes of higher learning in the Soviet Union, the United States, Japan, and some other countries.

Air Force Completes Test Flight

OW220204 Beijing XINHUA Domestic Service in Chinese 1048 GMT 21 Aug 87

[By reporter Liu Yong]

[Excerpt] Xian 21 Aug (XINHUA) — The Air Force Test Flight Regiment recently completed the test flight of a new-type, high-altitude and high-speed training craft made in China. The aircraft will soon be mass-produced.

The test flights of all the fighter planes and most transport planes made in China were done by the Air Force Test Flight Regiment. So far, the pilots of the regiment have flown more than 100,000 sorties of test flights and completed the final test flights for aircraft of 5 kinds and 26 types. [passage omitted]

Conference Sets Conscription Guidelines

OW230017 Beijing XINHUA Domestic Service in Chinese 1116 GMT 22 Aug 87

[By reporter Xu Jingyao]

[Text] Beijing, 22 Aug (XINHUA) — The State Council and the Central Military Commission have stated in their 1987 conscription order that this year's conscription must be accomplished in terms of both quality and quantity.

The national telephone conference on conscription stressed today that, to guarantee the quality of new recruits, this year's conscription must proceed strictly in accordance with conscription requirements. It said: In terms of political requirements, young people who are dissatisfied with the CPC and socialism, and who are ideologically unsatisfactory, shall be firmly rejected; and in terms of educational requirements, more young people graduated from senior middle schools shall be conscripted, and young people who have only lower primary school education or who are illiterate shall be rejected.

The telephone conference pointed out: Conscription must proceed according to principles and there shall never be any irregularities. Anyone who receives bribes, bends the law for the benefit of friends and relatives, practices fraud, or drafts unqualified young people into the Armed Forces in violation of conscription regulations shall be seriously dealt with. In addition to rejecting the unqualified conscripts, the responsibilities of the

recruiting units and their leaders shall be investigated. While new conscripts this year may either be accepted by personnel sent by the Armed Forces to various localities, or be delivered to the Armed Forces by personnel designated by local authorities, the latter method is preferable. Under no circumstances shall People's Armed Force Departments refuse to accept Armed Forces rejection decisions, and the Armed Forces must operate strictly in accordance with regulations.

The telephone conference noted: In recent years many young men and women have gone directly to the Guangxi and Yunnan fronts, demanding to join the Armed Forces and take part in battle. While their of serving the motherland is commendable, their way of doing things is unacceptable. These young people have also affected the normal operation of the Armed Forces on the front, and cause them a lot of problems. The relevant local departments should take active steps in dissuading these young people from going to the front, and tell them that, if they meet the conscription requirements, they should report to their hometowns' recruiters during recruitment periods.

Commentator Views Individual Economy
HK211150 Beijing RENMIN RIBAO in Chinese
19 Aug 87 p 1

[Commentator's article: "Safeguard and Promote the Healthy Development of the Individual Economy"]

[Text] In the State Council's "Provisional Regulations on the Management of Individual Workers Engaging in Industrial and Commercial Production in Both Urban and Rural Areas," which is promulgated today, there are definite and concrete stipulations on how to strengthen management of the individual workers engaging in industrial and commercial production under the new situation of reform, opening up, and invigoration. The more the economy is invigorated, the greater our efforts should be to strengthen supervision and management. The formulation and promulgation of the "regulations" will ensure and promote the healthy development of the individual economy.

China is now in the initial stage of socialism, which is a rather long historical period. Under the condition that the productive forces and the commodity production are still not well developed and the economic developments in various areas are unbalanced, only by appropriately developing the individual economy while promoting the state-owned and collective economies can we promote the development of the social productive forces and make it suit our national situation.

Over the past year or so, China's individual industry and commerce have been developing at a good pace. It has been playing an increasing positive role in the socioeconomic field. By the end of June 1987, the number of private household businesses in China's urban and rural industrial and commercial sectors reached 12.28 million, involving 18.8 million people; in the commercial network and service trade network, private household businesses constitute 82.6 percent; and in the total retail

volume of social commodities, they constitute 13.2 percent. Obviously, the individual economy has become an indispensable part of the national economy. In making arrangements for people awaiting jobs in towns and cities and surplus labor in the countryside and in expanding employment, the individual economy has made due contributions and has helped maintain social stability. At present, the question is not to restrict the individual economy but how to further promote its development. Particularly, in the economic activity with labor as the center, which is suitable for decentralized management, the individual economy can still play its role. The people's governments at various levels must attach special importance to clearing obstacles and creating conditions for the development of the individual economy in both urban and rural areas.

In practical life, there are actually some obstacles to the development of the individual economy. Some people regard the current policy of developing the individual economy as taking the road back and as an instance of retrogression. This is a rigid viewpoint. Just as pointed out by the "resolution" of the 3d Plenary Session of the 12th CPC Central Committee, China's existing individual economy is related with socialist public ownership, which is different from the individual economy related with capitalist private ownership. It is a supplement to the socialist economy and belongs to the category of socialist economy. It is true that the existence and development of the individual economy can also bring about some negative factors. In particular, some people may utilize it to conduct illegal activities and seek exorbitant profits and to corrode the socialist economy. This should be dealt with seriously. However, all these negative phenomena can be controlled and eliminated by the state by means of the economic levers and by administrative and legal means.

In some areas, there is still the phenomena of neglecting the legitimate rights and interests of private household businesses in the industrial and commercial sectors and discriminating against individual workers, such as confiscating their business licenses without authorization, taking over their commodities, and indiscriminately imposing fines on them. All such wrong practices should be checked immediately. Of course, in the course of developing the individual economy, some problems will unavoidably appear. For example, some individual retailers and hawkers may sell impure or false commodities, give short measures, evade taxes, tyrannize over the market, engage in speculation and profiteering, or engage in smuggling and selling smuggled goods. Thus, it is necessary to strengthen education and offer positive guidance to the individual workers while carrying out strict management over the market. It is necessary to strengthen supervision so that they can do their business within the permitted range and put their goods on sale with the prices clearly marked. It is necessary to take serious measures to check their illegal activities. Those who do their business without license should be resolutely banned.

The "regulations" of the State Council is a comparatively complete document on the management of individual workers engaging in industrial and commercial

production, which is suitable for both cities and the countryside. With these "regulations," people will have a law to follow. This is a code of conduct in developing the individual economy and a legal guarantee for it. No department and unit are allowed to violate these "regulations" and discriminate against and make things difficult for the individual workers engaging in industrial and commercial production. The organs and cadres in charge of economic supervision should earnestly implement the "regulations" and should never bend the law for the benefit of relatives or friends. On the other hand, the individual workers should treasure their own reputation, conscientiously follow the regulations, pay taxes in accordance with relevant regulations, and resist the corrosive influence of all kinds of decadent ideologies. They should strive to improve their professional ethics, their production and business, and the quality of their service. We firmly believe that under the guidance of the CPC Central Committee's policy of opening up and invigoration, the individual industry and commerce in China's urban and rural areas will certainly develop healthily along the right track.

Commentator Views Contract System
HK240406 Beijing RENMIN RIBAO in Chinese
19 Aug 87 p 2

[Commentator's article: "Rely on Competition To Promote Management by Contract"]

[Text] Management by contract is a good method to enliven enterprises and increase their vitality, but without a complete set of measures, shortcomings may easily occur. One is that when setting the basic targets to be fulfilled by contract, it is often the case that an enterprise wants to talk terms with the state on an "equal basis" in the hope of delivering less profits and taxes to the state; and the other is that appointment of factory directors and managers by the state does not produce heavy pressure or an adequate impetus on enterprises, or provide the necessary mechanism and environment for these directors and managers to become entrepreneurs. What is gratifying is that we have found the method to change this situation. The news reported by this newspaper today on the marked achievements of the 91 industrial and commercial enterprises exercising the contracted hiring system, suggests that the method of inviting tenders and applicants for the fulfillment of jobs has allowed the basic targets to be set in a rational and advanced manner. Thus excellent operators will emerge, which will give rise to the gradual formation of a socialist entrepreneurs contingent.

In socialist construction, it will not do "to walk with measured steps with our hands behind our backs." Reform is a cause that involves exploring, being enterprising, developing, and scaling new heights. Enthusiastic and sharp competition is necessary. Through competition, a rigid situation can be put to an end. Competition can also encourage the backward to catch up with the advanced and give rise to a situation in which people will make new achievements and improve

their productive forces. The method of inviting tenders and recruiting factory directors serves as a good type of competition. This method has more strong points than the contract system without the competition mechanism. First, it has promoted the effective separation of ownership from operational rights, and as a result operators can exercise their right to appoint and dismiss personnel, the right to guide production, and the right to make decisions. Second, it is beneficial to establishing the key position and leading role of factory directors (managers) in enterprises, and to implementing in an all-round way the factory responsibility system, the system of factory directors assuming responsibility for the fulfillment of fixed targets during their tenure of office, and the system of carrying out auditing at the end of one's tenure. Third, it is beneficial to tapping the potential of enterprises, to increasing production and practicing economy, and to increasing income and reducing expenditures. This has been proved by the 185 percent increase over the profit set for this year in the "basic tender." The method of raising a mortgage on contractors' property and the method of giving rewards and punishments have compelled operators to enhance their feelings of urgency, pressure, and crisis, to bring their talents into play, to implement the economic responsibility system, to keep improving their management, and to "fight with their backs to the river" for the existence and development of enterprises.

Introducing competition to the contract system has immeasurable and profound significance. The method of selecting "winged steeds" in competition has: Changed the traditional personnel management system of appointing leaders by impression or according to files provided by the higher authorities; overcome the erroneous practice of promoting cadres without taking account of their deeds; pounded the life-long tenure of cadres; given a shock to those who want to maintain "peace and tranquility" in their positions; stimulated the rational flow of talented personnel; provided opportunities for enterprise operators to realize their ideals; and created conditions for forming a huge entrepreneur's contingent. All this will certainly play a positive role in China's political structural reform and bring about further change in the entire cadre system and the concept of the value of talented people. It is necessary to discard the practice of "laying stress on official titles to the neglect of commercial experience," to provide enterprise cadres with payments and conditions different from those given to administrative cadres. The criterion for assessing enterprise cadres should be their ability to manage enterprises and not their ability to exercise party leadership and government administration. Still less should we take their qualifications as the criteria for assessment.

Many enterprises are now actively and steadily implementing or perfecting the contract operational responsibility system. We hope that all localities will take this opportunity to exercise the system of inviting tenders and recruiting factory directors so as to allow contract operators to make further contributions to the invigoration of enterprises and developing the national economy.

Commentator on New Things in Reform
HK211118 Beijing NONGMIN RIBAO in Chinese
10 Aug 87 p 1

[Commentator's article: "Look at the Orientation in Terms of Results — How To Correctly Approach the New Things Emerging in Rural Economic Structural Reform"]

[Text] There are different comments on some new things that have emerged in the rural reform such as the individual economy, private enterprises, and associated dependent enterprises. The point at issue centers on whether they are socialist or capitalist in nature. Because everyone fears capitalism, people in some localities vie with one another to say that their enterprises are socialist in nature, which has resulted in the phenomenon of people "scrambling for red hats."

All things have certain attributes. Naturally, the new things emerging in the reform also have certain attributes. However, the important thing now does not lie in whether they have attributes but in how to determine the attributes in a scientific way. If something socialist in nature is labeled as capitalist, it will create confusion in people's minds and bring interference and obstruction to the reform.

There are two different methods of thought on how to approach the new things emerging in the reform.

One is to proceed from concepts, rules, and conventions and to restrict a practical thing according to the rules. Some people mechanically apply certain rules and conventions on practical things. If these things measure up to the rules, they will be affirmed and commended; if they do not, they will be negated and repudiated. This practice of cutting the feet to fit the shoes often distorts the original attributes of things and writes off the vividness and richness of the objective things. For example, they regard egalitarianism as communism and private possession as capitalism. They also regard whether taking a basket of manure to private plots or to collective fields as the struggle between the two lines. In line with this principle, they stir up such communist winds as serving free food and engage in the practice of cutting the appendage of capitalism, such as abolishing private plots and so on. These excessively leftist acts have brought enormous losses to the state and the people. When analyzing the new things in the rural areas, we naturally should no longer adopt this erroneous method.

Another is to proceed from reality and to work out rules in light of reality. We should use Marxist basic stands and methods to analyze and study a practical thing and

to study its function, influence, and development trend. On the basis of making a scientific analysis, we should point out the attributes of the objective thing. In analyzing new things in the rural areas, we should adopt such a method and concentrate on looking at the results. If their existence and development are favorable to the development of productive forces, to economic prosperity, and to acceleration of the four modernizations program, we should affirm them. We should affirm that they are things that arise in the course of advance, that they are related to the system of socialist public ownership, and that they come under the category of the socialist economy. The individual economy and private enterprises in some places have attained very good results, have made contributions to the state, are beneficial to the people, and enjoy the support of the masses. However, because of their bad "names," they meet with rebuff everywhere. There is indeed a touch of "since it is unjustified in name, it is invalid in reasoning; since it is invalid in reasoning, nothing can be accomplished." This is what is meant by "good performance but poor status," which is obviously unjustifiable. Even if "family background is stressed," must we not "attach importance to performance?" Moreover, the various economic sectors in the present stage should not be classified as relatively superior or inferior, valuable or worthless, good or bad. So long as they give good "performances," we should let them exist and develop and not discriminate against and even reject or attack them. Therefore, it is necessary that we follow the practice, "those that can catch mice are good cats, be they black or white." Another point we should pay attention to is that, since reform is ongoing, many things have not been finalized and are still developing. The various economic matters that have emerged in rural reform are also constantly changing and advancing. It often happens that they are interrelated, with one containing an element of the other and with something being this today but that tomorrow. They permeate and affect one another, transforming into one another. Therefore, some things are seemingly neither like this nor that. It is difficult to accurately determine the attributes of such "nondescript" things for a time, explicitly pointing out their nature. Far from being useful, a forced definition of their nature will be harmful.

In short, in terms of either theory or practical conditions, we should never rashly determine the nature of the new things that have emerged in the rural areas; still less should we label them as "economic bourgeois liberalization." On the contrary, in keeping with the ideological line of dialectical materialism, we should concentrate on grasping the developing objective things and looking at their functions and results. In this way, we can help deepen the reform.

East Region

Wan Shaofen Greets Jiangxi Miners
OW220054 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 20 Aug 87

[Excerpt] A meeting of excavating team leaders of key coal mines opened in Lushan on 19 August. Wan Shaofen, secretary of the Jiangxi Provincial CPC Committee, extended her greetings to the meeting. She thanked the comrades working at the forefront of coal production for their hard work and achievements. She urged the comrades at the meeting to continue to exert themselves, work as one with great enthusiasm, and make even greater contributions to intensifying the reform of their enterprises and to the campaign to increase production, practice economy, raise revenues, and reduce expenditures.

On the afternoon of 20 August, Governor Wu Guangzheng cordially called on the nearly 400 excavating team leaders attending the meeting at Lushan. [passage omitted]

Shandong Forum on CPPCC Committee
SK240345 Jinan Shandong Provincial Service in Mandarin 2200 GMT 22 Aug 87

[Text] On the afternoon of 22 August, the United Front Work Department of the provincial party committee held a forum of nonparty personages and responsible persons of relevant mass organizations in Jinan to solicit their opinions on changing the next term of office of the provincial CPPCC Committee.

Zhou Zhenxing, director of the United Front Work Department of the provincial party committee and vice chairman of the provincial CPPCC Committee, presided over the forum and gave explanations on the relevant issues. He pointed out: The general guidelines of the end-of-term election of the sixth provincial CPPCC Committee are to proceed with the work of effectively strengthening political consultation and democratic supervision, promoting socialist democracy, improving the socialist legal system, and mobilizing the positive factors of all quarters, to widen the field of vision, have overall planning and all-round consideration, reduce overlapping work, conduct full consultation, and make overall arrangements. While planning our work, we must pay attention to the CPPCC Committee's work of making contacts with the people, of the extensive representation of the choice of persons to be elected as committee members, and of their ability to discuss political affairs.

At the forum, the representatives of the nonparty friends from all circles and the responsible persons of the relevant mass organizations sincerely offered suggestions on the number of members of the sixth provincial CPPCC Committee to be elected.

Death Sentence for Shanghai Pornographer
OW221702 Beijing XINHUA in English 1426 GMT 22 Aug 87

[Text] Shanghai, August 22 (XINHUA) — Liang Qingxiang, a worker in a branch of the Shanghai Railway Administration, was sentenced to death and deprived of

his political rights forever today.

Liang was accused of using pornographic materials to corrupt young people.

Four others, working with Liang, are Gong Qiyun, Yong Fengying, Sun Debao and Sha Jinbao who were sentenced to prison terms of life, 15 years, seven years and five years respectively.

The verdict said, Liang Qingxiang, 43 with a previous criminal record, illegally bought nine pornographic video tapes and showed them 20 times in Shanghai and Hunan Province to 80 people. Liang also duplicated eight of the tapes for himself and others.

According to the report, while showing the tapes the five seduced and encouraged men and women in indecent behaviour, and also planned to use the tapes to seduce young women.

In addition to Liang's case, the Shanghai Intermediate People's Court handed down a ruling on another case involving the use of pornographic materials.

Shanghai Air Force Units Modernize
OW240532 Shanghai City Service in Mandarin 2200 GMT 23 Aug 87

[From "Morning News Program"]

[Text] In order to adapt to the new situation of strategic shift in the Army's development, the PLA Air Force stationed in Shanghai has promoted all-around scientific management throughout the service, thereby expediting modernization of Army units. A multiservice unit comprising airborne troops, missiles, antiaircraft guns, and radar troops, the PLA Air Force stationed in Shanghai possesses fairly professional skills.

The Air Force party committee has realized that relying on a telephone and a map for the traditional method on issuing commands cannot meet the demands of modernizing the Army and that it is imperative to change the outdated mode of management and promote scientific method of management as soon as possible. Therefore, the Air Force party committee organized cadres and Army units at all levels to seriously study the modern art of leadership and the science of management. At the same time, subordinate units under the Air Force stationed in Shanghai have boldly upgraded an renovated outdated equipment to meet the requirements for modernization, systematization, reliability, mobility, and practicality. They have successively built automated command systems for directing military operations, logistics, maintenance of equipment and administrative management, resulting in the automation of the process of collecting, transmitting, and displaying relevant information.

Since the airborne units of the Air Force applied the knowledge of modern management to their flight training, a standardized system and method of training has

gradually formed, which has greatly enhanced flight controllers' ability, which has greatly enhanced flight controllers' ability to make policy decisions, plans, and to manage projects. These have resulted in balanced development in terms of training time, pace, quality, and safety, thereby enhancing combat capability of the airborne units.

Shanghai Students Take Social Practice
OW230307 Shanghai City Service in Mandarin
1000 GMT 22 Aug 87

[From "News and Weather" program]

[Text] Shanghai's approximately 46,000 college students have actively participated in social practice with the theme of serving the society and helping the poor during their summer vacation this year. The people have praised these students for helping factories, rural villages, military units and government organs of 29 provinces, cities, and autonomous regions throughout the country invigorate economy with what they have learned in school. Serving the people is one the themes of this student social practice program. In mid-July, the Shanghai Municipal CYL Committee organized a social practice camp activity of supporting the old revolutionary base areas and helping the poor in which some 400 students from 15 colleges and universities participated. Within only half a month, they have helped Jiangxi's Xingguo, Ningdu, and eight other counties complete 135 projects, thus being highly praised by leaders of the Jiangxi Provincial CPC Committee and Government. Many schools have linked students' short-term knowledge service program with establishment of their long-term practice bases so as to systematize the social practice programs. The CYL Committee of the Huang Chemical Engineering Institute has signed agreements of long-term cooperation with relevant departments of Jiangxi's Ningguo County, Jiangsu's Taixian County, Jinjiang County and Wuxi County and Anhui's Feicheng County. (Tongji), (Huashida), (Chengjian) Institute, and other colleges have included practice teaching, social survey, pilot military training program, and scientific and technical services in summer vacation social practice activities.

Zhejiang Reserve Service Hq Set Up
OW202327 Hangzhou Zhejiang Provincial Service in Mandarin
0900 GMT 19 Aug 87

[Text] This morning the provincial government General Office assembled personnel concerned from 38 departmental level companies directly under the provincial organs for a joint meeting to draw up specific plans for the organization and establishment of the first reserve division headquarters.

According to the unified planning of the provincial party committee, the provincial government, and the Zhejiang Provincial Military District, our province's first reserve division headquarters is to be organized and set up at provincial-level organs. More than 100 office cadres that

have both ability and political integrity will be selected from all departmental level companies to act as leaders of the first division of the reserve forces and as various cadres at all levels of the division headquarters.

(Wang Hongyi), deputy secretary general of the provincial government General Office, spoke at the meeting. He called on all units to really strengthen leadership over this work, do a good job in propaganda and education, select cadres from among excellent personnel, and accomplish this task on schedule.

Central-South Region

Vietnamese Refugees Return to Guangdong
HK240302 Beijing CHINA DAILY in English
24 Aug 87 p 3

[By staff reporter]

[Text] Guangzhou — The first group of Vietnamese refugees who entered Hong Kong without permits recently after settling on the Chinese mainland was repatriated to Guangdong Province on Saturday. The 198 refugees were returned via the Shatoujiao Customs post in Shenzhen in the presence of officials from Hong Kong and the province.

They were handed over in accordance with an agreement reached last week after two days' discussion between the Guangdong Provincial People's Government and the Hong Kong Government.

According to Chinese officials at the hand-over site, the refugees will be sent back to the farms where they had been settled previously. The repatriation was undertaken in an atmosphere of peace and order.

The Chinese side has said the returned refugees will be given back their original employment and should not be discriminated against in any way. Under the agreement, all refugees who entered Hong Kong after settling in China's mainland will be returned in groups in a continuous and orderly manner.

Guangdong Meeting on Family Planning
HK240357 Guangzhou Guangdong Provincial Service in Mandarin
0300 GMT 24 Aug 87

[Text] A provincial conference on work in counties that are backward in family planning opened in Dianbai County this morning. Representatives of the more than 30 counties and districts that are backward in family planning in the province are attending.

Guangdong has failed to fulfill the state plan for population control in recent years. The main reason is that many people are having more children than allowed, and large areas are backward in family planning work. To reverse this passive situation, the provincial party committee and government have decided to convene this conference, to demand that the backward counties take steps to rapidly transform their backwardness and work hard to implement the province's population plan.

Five counties, including Dianbai, Heyuan, and Yingde, will introduce their experiences at the meeting in working hard to transform their passive and backward state and promote family planning. Vice Governor Ling Botang and responsible persons of provincial departments concerned attended the meeting today.

Henan Meets on Policies for Intellectuals
*HK240143 Zhengzhou Henan Provincial Service in
Mandarin 2200 GMT 23 Aug 87*

[Excerpts] (Zhu Zhengjin), deputy director of the Organization Department of the provincial party committee, said at a provincial conference on work concerning intellectuals, which concluded on 23 August, that in implementing the policies on intellectuals, Henan has now basically fulfilled the task of solving problems left over from history, and the province will now switch to regular work concerning intellectuals, centered on reform.

In the past few years, the province has solved over 120,000 leftover problems regarding intellectuals, representing 99.9 percent of the number of such problems to be resolved. It has also corrected 147 miscarriages of justice perpetrated in recent years in the course of cracking down on economic and other crimes, and cleared up 310,000 files on intellectuals. While solving problems left over from history, the province has also done a lot of regular work concerning intellectuals, and has recruited 130,000 outstanding intellectuals into the party. [passage omitted]

Zhao Di, deputy secretary of the provincial party committee, pointed out at the meeting that in the future, work concerning intellectuals can only be strengthened and cannot be weakened. We must continue to implement the strategic idea of respecting knowledge and talent and fully stimulate the initiative of the intellectuals to serve the socialist modernization drive. [passage omitted]

Mao Zhiyong at Hunan College Meeting
*HK230117 Changsha Hunan Provincial Service in
Mandarin 0000 GMT 23 Aug 87*

[Excerpts] Liu Zheng, deputy secretary of the provincial party committee, stressed yesterday at the provincial conference on ideological and political work in tertiary education institutes that it is necessary to strive to improve and step up this work, centered on the general goal of cultivating new-style people with four qualities, and bring about a breakthrough in the progress of all work in these institutes in the forthcoming semester.

Liu Zheng first affirmed the success in ideological and political work in the province's tertiary education institutes in the previous period. He said: The great majority of students have enhanced understanding regarding upholding the four cardinal principles and persevering in the general guideline and policy of reform, opening up, and invigoration. [passage omitted] However, there are

still many discrepancies compared with the demand for cultivating talented people with four qualities. A few students have various problems in understanding the two basic points in the line since the 3d Plenary Session of the 11th CPC Central Committee, and in establishing the idea of studying for the sake of invigorating China and embracing the world outlook and view of life and morality of serving the people. We must continue to make great efforts to improve and step up ideological and political work.

Comrade Liu Zheng said that the main tasks in ideological and political work in tertiary education institutes now and for a time to come are to guide teachers and students to thoroughly understand and implement the two basic points in the line since the Third Plenary Session, fully mobilize the initiative of all sectors, uphold the orientation of having education serve socialism, deepen the education reforms, improve the quality of teaching, and cultivate qualified talented people for economic and social development in the new period.

We must be resolved to change the situation in which attention is paid only to academic training and to the neglect of moral training, and resolutely implement the principle of all-round moral, academic, and physical development. We must step up the integration of education with labor.

Comrade Liu Zheng stressed in conclusion that in carrying out ideological and political education in tertiary education institutes, we cannot just be satisfied if no problems arise among the students; we must make long-term plans and short-term arrangements and adopt a variety of means in setting high standards and strict demands to ensure that the work is done in a vivid and lively way and penetrates into people's mind.

Mao Zhiyong, secretary of the provincial party committee, also spoke at the meeting yesterday. He urged the party committee secretaries and presidents of tertiary education institutes to strive to become socialist educators, correctly understand and implement the party's line, principles, and policies, and run the schools well so as to speed up the training of qualified talented people for the sake of building socialism with Chinese characteristics.

Other provincial party and government leaders present at the meeting yesterday were Wan Da, Wang Xiangtian, (Xia Fanzhong), Yin Changmin, and Liu Guoan. The meeting opened in Changsha on 21 August. [passage omitted]

Southwest Region

Sichuan Reports Progress on Problems
*HK240243 Chengdu Sichuan Provincial Service in
Mandarin 0000 GMT 24 Aug 87*

[Excerpts] Since the 3d Plenary Session of the 11th CPC Central Committee, in accordance with the arrangements of the central authorities, Sichuan has devoted a

large amount of manpower and material to seriously implementing the policies on intellectuals in groups and stages and resolving problems left over from history. At the same time, large numbers of intellectuals who have undergone testing have been selected and promoted to leadership posts at various levels. [passage omitted]

According to statistics for the end of March this year, the province has corrected miscarriages of justice involving some 44,000 intellectuals, cleared up files involving 640,000 intellectuals, returned property confiscated during the cultural revolution to 8,525 intellectuals, paid 12.72 million yuan in salaries that were erroneously docked or not paid during the Cultural Revolution, returned 1,782 intellectuals' houses that were taken over during the Cultural Revolution, solved problems for 988 husbands and wives forced to work in different locations as a result of miscarriages of justice, and solved problems of changing household registration from rural to non-rural for 4,154 members of 1,498 households who were forced to go and live in the rural areas as a result of miscarriages of justice. [passage omitted]

Since the 3d Plenary Session of the 11th CPC Central Committee, the province has recruited 114,000 intellectuals into the party, representing 31 percent of the total number of new party members recruited during the period. The problem of qualified intellectuals finding it difficult to join the party has been basically solved. [passage omitted]

Some 48.2 percent of the party and government leadership groups of the province's 20 cities and prefectures now have educational standards of college level and above, as do 51.8 percent of the party and government leadership groups of the 214 counties and city districts. [passage omitted]

Sichuan's Yang Rudai at CYL Session

HK211052 Chengdu Sichuan Provincial Service in Mandarin 0000 GMT 21 Aug 87

[Text] After satisfactorily completing all the items on its agenda, the Eighth Sichuan Provincial CYL Congress concluded yesterday morning in Chengdu. During the 5-day congress, the participating representatives conscientiously listened to, examined, and discussed a report from the Seventh Provincial CYL Committee, adopted a resolution on the work report of the Eighth Sichuan Provincial CYL Congress, and elected through democratic means members of the Eighth Sichuan Provincial CYL Committee as well as Sichuan Province's delegates to the 12th National CYL Congress.

Attending yesterday's closing ceremony were Feng Yuanwei, Xu Mengxia, Wang Ao, Kang Zhenhuang, and Cao Qingze, leading comrades from the provincial party and government organizations. After the closing ceremony, the First Session of the Eighth Sichuan Provincial CYL Committee was held. This session elected Standing Committee members of the Eighth Provincial CYL Committee. During this session, Comrade (Liu Peng)

was elected secretary of the provincial CYL Committee; Comrades (Peng Yu), (Cui Lianbin), (Wang Lishun), (Luo Anmin), (Li Baiyun), and (Huang Danhua) were elected deputy secretaries of the provincial CYL Committee.

Comrade Yang Rudai, secretary of the provincial party committee, attended the First Session of the Eighth Sichuan Provincial CYL Committee and discussed the following 3-point expectation he has for the vast numbers of young cadres: First, he hopes that young cadres will turn their eyes to the grass roots and pay attention to learning from the masses and practice; second, he hopes that young cadres will successfully face up to and pass all kinds of tests, including tests in fame, position, and power; and third, he hopes that during the training of new people with lofty ideals, moral integrity, good educational background, and a high sense of discipline, young cadres will successfully take the lead in displaying a fine style of work.

Xizang's Wu Jinghua Sees Off Banqen

HK240157 Lhasa Xizang Regional Service in Mandarin 1030 GMT 23 Aug 87

[Excerpts] Banqen Erdini Qoigyi Gyancan, vice chairman of the NPC Standing Committee and honorary chairman of the Buddhist Association of China, left Lhasa for Beijing on 23 August at the conclusion of his inspection and guidance work in Xizang. Ngapoi Ngawang Jigme, vice chairman of the NPC Standing Committee, made a special trip to the airport to see off the Great Master Banqen. Leading comrades of the party, government, and Army in the region and of Lhasa City, including Wu Jinghua, Pagbalha Geleg Namgya, Zhang Xiangmin, Raidi, Mao Rubai, Lang Jie, Zhang Shaosong, and Zheng Ying also went to the airport to see off Banqen. [passage omitted]

Vice Chairman Banqen carried out inspection and provided guidance for work in Xizang for 2 months. During his inspection, while meeting a broad spectrum of people from various sectors, he repeatedly raised the question of attaching great importance to the study, use, and development of the Tibetan language. He expressed the hope that unity between nationalities and within the Tibetans will be further strengthened, and that everyone will work in concert to build a united, well-off, and civilized new Xizang.

Xizang Secretary Visits Air Force Unit

HK240217 Lhasa Xizang Regional Service in Mandarin 1030 GMT 23 Aug 87

[Text] Ngapoi Ngawang Jigme, vice chairman of the NPC Standing Committee, and leaders of the party, government, and Army in Xizang and of Lhasa City including Wu Jinghua, Pagbalha Geleg Namgya, Raidi, Lang Jie, Zhang Shaosong, Qu Jia, and (Luo Ga) visited a certain air force unit on 23 August to extend regards to the commanders and fighters. They were also photographed with them as a memento.

North Region

Hebei's Xing Chongzhi on Reform
SK230358 Shijiazhuang HEBEI RIBAO in Chinese
6 Aug 87 p 1

[Speech by Xing Chongzhi, secretary of the provincial party committee, at the provincial conference of party secretaries of prefectures, cities, and counties (cities, districts): "Do a Good Job in Studying and Applying Comrade Deng Xiaoping's Ideology of Reforms To Accelerate the Pace of Conducting Reforms in the Province"]

[Text] On the morning of 5 August, Xing Chongzhi, secretary of the provincial party committee, delivered a speech at the provincial conference of party secretaries of prefectures, cities, and counties (cities, districts), in which he urged the participating comrades to concentrate on applying Comrade Deng Xiaoping's ideology of reforms to direct their local drive to conduct reforms so as to consolidate better and more quickly the pace of conducting reforms in the province.

Li Wenshan, deputy secretary of the provincial party committee, presided over today's conference. Attending the conference were party secretaries of prefectures, cities, and counties (cities, districts), who are currently attending the study meeting. Among those who attended the conference as observers were responsible comrades at or above the bureau level throughout Zhangjiakou Prefecture and City.

In his speech, Comrade Xing Chongzhi reviewed the 8-year period of conducting reforms in the province, and then pointed out: When deepening the drive to conduct economic system reforms and schedule the daily work of conducting political system, reforms, it is particularly important to deeply discern Comrade Deng Xiaoping's ideology of reforms to further unify the thinking of all party members and the people. He then put forward the following opinions on learning from Comrade Deng Xiaoping's ideology of reforms: First, reforms are the inexorable trend of history, and we will have no outlet without them. As Comrade Mao Zedong pointed out, the basic contradiction of socialist society still lies between the production relation and productive forces and between the superstructure and the economic foundation. According to Comrade Mao Zedong's scientific conclusion, Comrade Deng Xiaoping urged that "efforts should be made to correctly reform production relations and superstructures which are unsuitable to the rapid growth of productive forces," and "to improve or perfect the socialist economic and political systems." The nature of basic contradiction in the socialist society is not like that in the society with class antagonism. Therefore, in adopting the method of dealing with the contradiction, it is not necessary for us to use the form of "political revolution" and is totally possible for us to push social progress step by step and in a planned and orderly manner through the drive to conduct reforms. Only by making clear the necessity and importance of conducting

reforms can we enhance our sense of reforms and discern the drive to conduct reforms as the general guideline or policy that runs through the whole process of the program of building the socialist modernization. Second, reforms mean the self-improvement of socialist system. Comrade Deng Xiaoping has pointed out: "Reforms mean the self-improvement of socialist systems, in which a revolutionary change of a certain degree in a certain scope may take shape." This conclusion has disclosed the following characteristics of our drive in conducting reforms: One is that the drive is socialist, and it is imperative to uphold the socialist orientation. The other is that it is impossible for socialist systems to be perfect at first, and it is imperative to make them improve from imperfect to relatively perfect through conducting reforms and self-improvement. Reforms mean creation and development, and by no means do they negate the socialist systems and orientation. Through the drive to conduct reforms, we should enable the basic socialist systems to become increasingly consolidated and developed and their concrete systems to become increasingly healthy and perfect so that they will continuously open revenues of developing productive forces. Third, the general target of reforms is to develop productive forces. Comrade Deng Xiaoping has pointed out that "the general target" of reforms is to "develop productive forces favorable to the party's leadership and to socialist system." The general target of reforms is formulated according to the currently major social contradiction in the country and the fundamental tasks of the party.

To this end, we are required to shift the party and the state's work emphasis to the socialist modernization drive centered on economic construction in order to rapidly develop productive forces and, based on this, to gradually improve the people's material and cultural life. To conduct reform, we must grasp the central point of developing productive forces on the premise of adhering to the party's leadership and the socialist system, correctly handle the relationship between reform and construction, and enable reform to become a powerful impetus for realizing the grand objective of our country's modernization drive. Fourth, reform must be comprehensive. Comrade Deng Xiaoping has pointed out: "Reform is comprehensive, embracing economic and political structural reform, as well as the relevant social reform and reforms in various spheres." Our reform is not restricted to any sphere. It is an all-direction and multilayered huge project involving all of society. It mainly includes reforms in three spheres, such as the reform of the economic system, the political system, and the cultural (scientific, technological, and educational) system. They are interdependent and promote each other. Along with the development of economic structural reform, Comrade Deng Xiaoping has particularly stressed, it is necessary to formally place the reform of political structure on our schedules. He has not only profoundly expounded on the need for and importance of reforming the political structure, but has also given a brilliant exposition on the objective, content, principles, and other issues of political structural reform. These are a powerful ideological weapon for guiding us to successful political structural reform. Comrade Deng Xiaoping

has stressed on several occasions: "It is impossible for a country to develop if it isolates itself." "During the past 150 years, China closed itself to international intercourse, thus suffering from great losses and backwardness. Only by implementing the open policy can we accelerate the construction of our own." Since the 3d Plenary Session of the 11th CPC Central Committee, we have resolutely implemented the basic state policy of opening to the outside world and enabled the modernization drive to progress more rapidly. In opening to the outside world, we must not just import technology, funds, and trained personnel and develop economic and technological exchange with foreign countries, but must also absorb the generally applicable economic and administrative management experiences and other useful cultural achievements of various countries in today's world. Furthermore, we must examine and develop them in the course of practice. Sixth, we must focus our efforts in reform on mobilizing the enthusiasm of the masses of people and the grass-roots units. The fundamental purpose of reform is to develop productive forces, among which man is the most active. While touching on political structural reform, Comrade Deng Xiaoping has stressed: "Generally speaking, the purpose of conducting political structural reform is to eliminate bureaucracy and to mobilize the enthusiasm of the masses of people and the grassroots units." He maintained that the bureaucratic phenomena in our party and state "are closely related with our long-term ideas that the socialist system and the planned management system are meant to implement a highly centralized in the economic, political, cultural, and social sectors." "This is the basic cause of our current peculiar bureaucracy." The serious consequences caused by bureaucracy have shackled and dampened the enthusiasm and creativity of the masses of people and the grass-roots units in building socialism. Therefore, in reforming a highly centralized managerial system, we must pay full attention to the human factor, to bringing into play the functional role of the masses as the main part of society, and to expanding the economic and political democracy of socialism in order to promote the development of productive forces. Seventh, in conducting reforms, efforts should be made to uphold the principle of seeking truth from facts, to be bold, and to take a stable step. Comrade Deng Xiaoping has stressed: "Be bold in conducting reforms," in which he has attempted to urge us to have the spirit of being keen on making progress and boldly conducting reforms and to refrain from wavering and being hesitant. Meanwhile, we should also understand that the drive to conduct reforms is an arduous and complicated undertaking of pioneering new roads and creating something new and that we must take up the work carefully, follow the mass line, and abide by the principle of seeking truth from facts in order to avoid detours, losses, and turbulence. Eighth, in conducting reforms, efforts should be made to eliminate the influence of "left" and right. The main indicator of "leftist" influence is ossified ideology; that of rightist influence is bourgeois liberalization. Comrade Deng Xiaoping has repeatedly pointed out: "The 'leftist' ideology that has taken shape over the past decades is not easy for us to totally correct. We should chiefly oppose

the 'leftist'. The 'leftist' ideology has become a habitual influence in society. At present, there are not so many people in the country who oppose the drive to conduct reforms; however, the habitual influence is sure to come into play when formulating concrete policies and implementing them and to assuredly turn out something about yearning for the past." Therefore, he has stressed: "We oppose both the 'leftist' and rightist; however, the obstruction coming from the 'leftist' is larger." Comrade Deng Xiaoping has also repeatedly stressed the "leftist" danger, thus providing the main direction for us to wage struggle against the erroneous trend.

In his speech, Comrade Xing Chongzhi urged the party committees at all levels to concentrate more on conducting reforms and to resolutely carry out the work of carefully studying, organizing, and guiding the drive to conduct reforms. He stated: At present, our province's general demand for deepening the drive to conduct reforms is to accelerate the pace of conducting reforms in the systems of the economy, science and technology, and education. Efforts should be made to deepen the "campaign" to increase production and practice economy as well as to increase incomes and curtail expenses. Urban areas should regard as an emphasis the work of deepening the drive to conduct reforms in the managerial mechanism of enterprises and of further popularizing and improving the contract responsibility systems on the basis of competition to relevantly enhance or improve the macroeconomic management; to develop the markets of means of production, funds, and technology; to actively conduct reforms in foreign trade systems; to reinforce the policy of opening to the outside world; to successfully commercialize urban houses; and to deeply carry out the pilot work of conducting reforms in financial systems and opening labor markets. Rural areas should do a good job in continuously and earnestly implementing the spirit of the central documents concerned, reinforcing the systems of social service, further improving the structure of "double levels management" and the fixed-quota purchase contract, and in actively opening rural markets to promote the development of the commodity economy. In order to summarize the experience systematically and to have the reforms in various fields of both urban and rural areas achieve further development in a coordinated manner, a good job should be done in carrying out the pilot work of conducting reforms in a coordinated manner at the city and county levels. In conducting reforms in political systems, we now should do a good job in chiefly grasping study and opinion publicization. Meanwhile, various localities may carry out investigation and study among the issues of separating party affairs from the government work and sum up the experience and lessons gained in this regard.

In his speech Comrade Xing Chongzhi also put forward concrete demand for engaging in the theoretical study of opinion publicization for making the drive to conduct reforms successful.

Nei Monggol Secretary on Security
*SK211104 Hohhot Nei Monggol Regional Service in
Mandarin 1000 GMT 20 Aug 87*

[Excerpt] On the morning of 20 August, at the assembly hall of the regional government, the regional party committee, the regional government, and the regional military district held a meeting to commend units and individuals that have made outstanding achievements in ensuring the safety of celebrations for the region's 40th founding anniversary.

Attending the meeting were regional party, government, and Army leading comrades, including Zhang Shuguang, Bu He, Qian Fenyong, Batubagen, Cai Ying, Ma Zhen-duo, He Yao, Alatanauqier, and Zhang Hangong; and (Tong Jinqui), a representative from the Ministry of Public Security. Also attending the meeting were more than 1,500 people, including responsible persons of the leagues, cities, and regional departments concerned; and representatives of public security, safety, armed police forces, reform-through-labor, and PLA units in Hohhot.

Zhang Shuguang, secretary of the regional party committee, gave a speech at the meeting. On behalf of the regional party committee, the regional government, and the regional military district, he first extended cordial regards to all the personnel who participated in the safety and security work, extended warm greetings to the advanced collectives and individuals who have been commended, and extended heartfelt thanks to the people of various nationalities on all fronts who have made contributions to ensuring the safety of the celebrations. [passage omitted]

Tianjin 'Counterrevolutionary' Arrested

*SK240456 Tianjin TIANJIN RIBAO in Chinese
7 Aug 87 p 1*

[Text] The Hongqiao Public Security Sub-bureau cracked a counterrevolutionary case. The criminal Guo Xueyi was arrested in line with the law on 25 July.

Before being arrested, Guo Xueyi worked at the Banqiao farm machinery parts plant. He was once sentenced to 8 years imprisonment for mustering counterrevolutionary cliques and writing counterrevolutionary articles. After completing his imprisonment, he was sentenced to 3 years of reeducation through labor for theft. Since 1975 he has stubbornly persisted in his reactionary stand, continued to write many reactionary articles, compiled them into pamphlets, and named them the "Light of Life" and "New Life." He used of all channels to draw "like-thinking friends" over to his side. Since 1983 he has disseminated counterrevolutionary speeches to five persons.

On the early morning of 5 July this year, Guo Xueyi was discovered by the people's police of Hongqiao District while copying and sorting reactionary articles and was arrested on the spot. More than 110 copies of reactionary speeches, which he wrote personally, and the tools for committing the crimes, such as the printing machine, stencil paper, and printing ink, were also captured.

KMT Official Condones Mainland Visits
OW240635 Taipei CHINA POST in English 20 Aug 87
p 12

[Text] The ruling Kuomintang's No 2 man said Tuesday he advocates a "more liberal attitude" toward allowing local residents to visit relatives in mainland China, the Chinese-language *Independence Evening Post* reported. Li Huan, secretary-general of the KMT, surprised reporters with the remark. The Government has always said private visits to the mainland are a violation of its policy of "no contact, no compromise and no negotiation" with the Chinese Communists.

Li made the remark while playing host to visiting dissident Lai Yi-hsiung, chairman of the U.S.-based North American Professors' Association of Taiwan.

Some people are against allowing family visits to the mainland, Li said, but he favors a "more liberal attitude" on the issue.

"It doesn't matter if some people visit relatives on the mainland and intend to remain behind," Li said.

If local Chinese visiting relatives here are "Communist spies," Li said, he is confident security authorities will be able to find out.

When Lai asked why the government denied entry to members of his association, Li said things will be different now that martial law has been lifted.

Lai, who is in town to attend his father's funeral, returns to the U.S. today.

During his stay here, he has called on Premier Yu Kuo-hua, Judicial Yuan President Lin Yang-kang, Interior Minister Wu Po-hsiung, Communications Minister Kuo Nan-hung, National Science Council Chairman Chen Li-an and Vice Foreign Minister John Chang.

Islanders Demand Martial Law Lifting
HK211358 Hong Kong AFP in English 1256 GMT
21 Aug 87

[Text] Taipei, Aug 21 (AFP) — Protesters demanding the lifting of martial law in two islands held by Taiwan staged a demonstration near Taipei Friday, eyewitnesses said.

Ten members of the little-known Kinmen/Matsu Solidarity Self Save Association displayed posters and banners calling for the lifting of martial law on the islands of Kinmen (also known as Quemoy) and Matsu.

The two islands off China's Fujian coast are the only territories besides Taiwan held by Taipei.

They have been declared war zones since the Kuomintang (KMT) fled to Taiwan when the communists came to power in China in 1949.

Taiwan's ruling KMT has a Fujian provincial government based south of Taipei, and it was there that the protest was staged.

The protesters demanded that the lifting of martial law in Taiwan last month be extended to the two islands.

Residents on the islands can only travel to and from Taiwan using transport provided by the military.

The English-language *China News* newspaper said Friday that the ministries of communications and national defense had drawn up a draft proposal for a civil aviation service between Taiwan and Kinmen.

The proposal is to be submitted to the cabinet and if approved is expected to begin in September, the report added.

END OF

FICHE

DATE FILMED

24 Aug. 1987

NT

